Exhibit I

○英文独立行政法人国際協力機構法(仮訳)

(Act No. 136 of December 6, 2002)

(Tentative translation)

Act of the Incorporated Administrative Agency-Japan International Cooperation Agency

Act No. 136 of December 6, 2002
Amended by Act No. 130 of June 23, 2004
Amended by Act No. 50 of June 2, 2006
Amended by Act No. 100 of November 15, 2006
Amended by Act No. 45 of May 16, 2007
Amended by Act No. 58 of May 25, 2007
Amended by Act No. 85 of June 13, 2007
Amended by Act No. 39 of May 2, 2011
Amended by Act No. 74 of June 24, 2011
Amended by Act No. 67 of June 13, 2014

Table of Contents

Chapter 1 General Provisions

(Purpose)
Article 1

The purpose of this Act is to provide for such matters concerning the Incorporated Administrative Agency - Japan International Cooperation Agency as for its name, objective, scope of operations, etc.

(Name)
Article 2

The name of the Incorporated Administrative Agency which is prescribed in paragraph (1) of Article 2 of the Act on General Rules for Incorporated Administrative Agency (Act No. 103 of 1999; hereinafter referred to as the "Act on General Rules") and established pursuant to the provisions of this Act and the Act on General Rules shall be the Incorporated Administrative Agency - Japan International Cooperation Agency.

(Objective of the Agency)
Article 3

The objective of the Incorporated Administrative Agency - Japan International Cooperation Agency (hereinafter referred to as the "Agency") is to contribute to the promotion of international cooperation and to the sound development of Japan and the international socioeconomy by contributing to the development or reconstruction of the economy and society, or economic stability of overseas regions which are in the developing stage (hereinafter referred to as the "Developing Area") through the operations necessary for implementation of technical cooperation, implementation of cooperation through finance and investment or grant and promotion of the citizens' cooperation activities toward the residents of the Developing Area; operations necessary for settling down of the emigrants to Central and South American area, etc.; and operations necessary for emergency assistance against large-scale disasters in the Developing Area, etc.

(Agency Managed under the Medium-term Objectives)
Article 3-2

The Agency shall be the Agency Managed under the Medium-term Objectives as prescribed in paragraph (2) of Article 2 of the Act on General Rules.

(Office)
Article 4

The Agency shall have its principal office in Tokyo.

(Stated Capital)
Article 5

(1) The Agency's stated capital shall be the total amounts which are deemed to have been contributed by the Japanese Government pursuant to the provisions of paragraph (6) of Article 2 of the Supplementary Provisions and paragraph (7) of Article 2 of the Supplementary Provisions of the Act Amending in Part the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency (Act No. 100 of 2006; hereinafter referred to as the "Amendment Act").
(2) The Japanese Government may, when it finds necessary, make additional capital contributions to the Agency within the amounts prescribed by the budget.
(3) When a capital contribution was made by the Japanese Government pursuant to the provisions of the preceding paragraph, the Agency shall increase its stated capital by the amount of such contribution. In such case, the relevant stated capital shall be disposed of pertaining to each account pertaining to the specific operation prescribed in each item of paragraph (1) of Article 17 in accordance with the separation of accounting set forth in said paragraph.

(Restriction on Use of Name)
Article 6

No person other than the Agency may use the name of Japan International Cooperation Agency.

Chapter 2 Officers and Employees

(Officers)
Article 7

(1) The Agency shall have as its officers one (1) President and three (3) Auditors.
(2) The Agency may have as officers one (1) Executive Senior Vice President

and not more than eight (8) Senior Vice Presidents.

(Duties and Authorities, etc. of Executive Senior Vice President and Senior Vice Presidents)
Article 8

(1) The Executive Senior Vice President shall, as determined by the President, represent the Agency and manage the Agency's operations by assisting the President.
(2) The Senior Vice Presidents shall, as determined by the President, manage the Agency's operations by assisting the President (when the Executive Senior Vice President has been appointed, the President and the Executive Senior Vice President).
(3) The officers to be prescribed under the Individual Act within the meaning of paragraph (2) of Article 19 of the Act on General Rules shall be the Executive Senior Vice President. Provided, however, that if a Senior Vice President has been appointed but the Executive Senior Vice President has not been appointed, it shall be the Senior Vice President, and if neither the Executive Senior Vice President nor the Senior Vice President has been appointed, it shall be an Auditor.
(4) In the proviso of the preceding paragraph, the Auditor who represents the President in his or her duties or performs his or her duties pursuant to the provisions of paragraph (2) of Article 19 of the Act on General Rules shall not perform the duties of the Auditor during such period.

(Terms of Office of Executive Senior Vice President and Senior Vice Presidents)
Article 9

The term of office of the Executive Senior Vice President shall be four (4) years, and that of the Senior Vice Presidents shall be two (2) years.

(Special Addition to Disqualification Clause for Officers)
Article 10

(1) In addition to those prescribed in Article 22 of the Act on General Rules, a

person falling under any of the following items may not become an officer.

(i) A person who is engaged in the business of manufacturing or selling goods or contracting for works and has a close conflict of interest with the Agency in terms of business transactions, or if such person is a juridical person, its officers (including those who hold the authorities or control at least equivalent to those held by such officers regardless of the title).

(ii) The officers of the organization comprised of the business operators set forth in the preceding item (including those who hold the authority or control at least equivalent to those held by such officers regardless of the title).

(2) In the application of the provision of paragraph (1) of Article 23 of the Act on General Rules concerning a dismissal of the officers of the Agency, the words "preceding Article" shall be treated as meaning "preceding Article and paragraph (1) of Article 10 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency".

(Confidentiality Obligation of Officers and Employees)
Article 11

Neither officers nor employees of the Agency shall divulge or appropriate any secret that they have acquired in the course of their duties. The same shall apply after they have ceased to work for the Agency.

(Status of Officers and Employees)
Article 12

In the application of the penal provisions, such as Penal Code (Act No. 45 of 1907), the officers and the employees of the Agency shall be deemed by laws and regulations as officers engaged in public service.

Chapter 3 Operation

(Scope of Operation)
Article 13

(1) The Agency shall perform the following operations in order to achieve the

objective set forth in Article 3.

(i) To perform the following operations which are necessary for implementing the technical cooperation pursuant to international agreement such as a treaty:

(a) To provide the technical trainees from the Developing Area with technical training, and to establish and manage the facilities for training and the accommodation for the trainees;

(b) To dispatch personnel to the Developing Area for technical cooperation;

(c) To give the equipment and materials for the technical cooperation pertaining to the operation stipulated in clause (b) and technical cooperation to the Developing Area;

(d) To perform the operations which are necessary for the establishment and management of the technical cooperation centers to be established in the Developing Area, such as dispatching personnel and procuring machinery and equipment necessary for such centers; and

(e) To conduct basic study regarding public development plan of in the Developing Area.

(ii) To perform the following operations regarding cooperation through finance and investment (limited to those provided under concessional terms and conditions regarding the interest rate, repayment period, etc. so that the conditions of the supply of the funds shall not be a heavy burden on the Developing Area; hereinafter referred to as "Cooperation through Finance and Investment"):

(a) To lend a government, government agency, or local government (hereinafter referred to as the "Government, etc.") of the Developing Area, or the entity designated by the Minister for Foreign Affairs such as the international organization, as Cooperation through Finance and Investment pursuant to international agreement such as a treaty, the funds which are necessary for the implementation of the projects which contribute to the Developing Area's economic and social development conducted by it and also are deemed to be necessary for the promotion of economic exchange with Japan (including the preparatory study or experimental implementation of such projects; hereinafter referred to as the "Development Projects"), or the funds which are necessary to accomplish a plan regarding economic stabilization of such areas; and

(b) To lend a person designated by the Minister for Foreign Affairs such as an organization such as a juridical person in Japan or the Developing Areas the funds required for the execution of their Development Projects or the making of the capital contributions to such persons when there is a special necessity in order to effectuate Development Projects.

(iii) To perform the following operations regarding cooperation through grant aid (referring to the cooperation performed by donating funds pursuant to the decisions of the Japanese Government; hereinafter referred to as the "Cooperation through Grant") to the Government, etc. of the Developing Area or the international organizations, or organizations such as juridical persons:

(a) To perform necessary operations for the implementation of the Cooperation through Grant (excluding Cooperation through Grant which a part or all of the operations necessary for the implementation of such Cooperation through Grant are designated by the Minister for Foreign Affairs to be performed directly by the Minister, based on the need to secure agile implementation and the need in relation to executing diplomatic policy) pursuant to international agreement such as a treaty; and

(b) To perform necessary operations such as to investigate, mediate, communicate concerning the execution of any contract pertaining to Cooperation through Grant, other than those prescribed in clause (a), which is designated by the Minister for Foreign Affairs as being in need of the Agency's participation in order to secure its appropriate implementation, and to perform necessary investigation regarding the status of the performance of such contract.

(iv) To perform the following operations to promote and foster the volunteer activities of the Japanese citizen, the General Incorporated Associations, the General Incorporated Foundations, the Specified Non-Profit Organizations prescribed in paragraph (2) of Article 2 of the Act on the Promotion of Specified Non-Profit Organization Activities (Act No. 7 of 1998) and private entities, etc., or the activities of local governments or universities, which are extended to the inhabitants of the Developing Area with the objective of cooperating in the economic and social development or reconstruction of such Developing Area (hereafter referred to as the "Citizens' Cooperation Activities, etc." in this item and item (iii), paragraph (2) of Article 42):

(a) To recruit, select and train the individuals desiring to join the Citizens' Cooperation Activities, etc. to be performed in unity with the inhabitants of the Developing Area, and establish and operate the facilities for their training;

(b) To dispatch the personnel selected and trained as prescribed in clause (a) to the Developing Area pursuant to international agreement such as treaty;

(c) To perform the following operations for the technical cooperation extended to the Developing Area, pertaining to the proposals which were made by those desiring to join the Citizens' Cooperation Activities, etc. and deemed appropriate by the Minister for Foreign Affairs, by entrusting their implementation to those desiring to join such Citizens' Cooperation Activities, etc.:

(i) To provide technical training to the technical trainees from the relevant Developing Area;

(ii) To dispatch personnel for technical cooperation to be extended to the relevant Developing Area; and

(iii) To give equipment and materials for technical cooperation to be extended to the relevant Developing Area; and

(d) To disseminate knowledge and promote the understanding of Japanese citizens regarding the Citizens' Cooperation Activities, etc.

(v) To perform the following operations in order to provide assistance and guidance, etc. for emigrants both within and outside Japan in an integrated manner:

(a) To study and disseminate knowledge with regard to emigration;

(b) To give counsel and guidance outside Japan regarding business and occupation of emigrants and matters relating to emigrants' living in general; and

(c) To provide assistance such as welfare facilities outside Japan which are necessary for the settling down of the emigrants.

(vi) To store and give materials such as the equipments and machineries for emergency relief activities such as the international emergency relief activities against large-scale disasters in the Developing Area, etc. (referring to the activities prescribed in Article 2 of the Act on Dispatch of the Japan Disaster Relief Team (Act No. 93 of 1987)).

(vii) To train and secure the personnel necessary for the execution of the operations set forth in item (i), clause (c) of item (iv), and preceding item, and the following paragraph.

(viii) To conduct research and study which are necessary in relation to the operations set forth in each of the preceding items.

(ix) To perform the operations which are incidental to the operations set forth in each of the preceding items.

(2) The Agency shall perform the following operations in addition to the operations set forth in the preceding paragraph.

(i) To dispatch the Japan Disaster Relief Team pursuant to the Act on Dispatch of the Japan Disaster Relief Team.

(ii) To procure or arrange for transportation of the materials such as the equipments which are necessary for international emergency relief activities, pursuant to the Act on Dispatch of the Japan Disaster Relief Team.

(3) In addition to the operations set forth in the preceding two (2) paragraphs, when the Minister for Foreign Affairs deems it appropriate, the Agency may perform operations under entrustment made by the Government, etc. or an international organization, or an organization such as a juridical person, of Japan or a foreign state, which contribute to the Developing Areas' economic and social development or reconstruction, or economic stabilization, to the extent that they do not interfere with the execution of the operations set forth in the preceding two (2) paragraphs.

Article 14

(1) With respect to the operations prescribed in item (ii) of paragraph (1) of the preceding Article, the Agency shall supplement or encourage the lending of funds or investment conducted by ordinary financial institutions and shall not compete against them.

(2) The Agency may perform the operations prescribed in item (ii) of paragraph (1) of the preceding Article only when the lending of funds or investment by ordinary financial institutions on ordinary terms is deemed difficult.

(3) The Agency may perform the operations prescribed in item (ii) of paragraph (1) of the preceding Article only when the project plan for Development

Projects or of the plan concerning economic stabilization under clause (a) of said item is appropriate, and there is a prospect of their accomplishment.

(Entrustment, and Status of Officers and Employees of Banks, etc. Engaged in Entrusted Operations)
Article 15

(1) The Agency may entrust a part of the operations regarding the Cooperation through Finance and Investment (referring to the operations prescribed in item (ii) of paragraph (1) of Article 13 and to the operations prescribed in item (viii) and item (ix) of said paragraph and in paragraph (3) of said Article pertaining to the Cooperation through Finance and Investment hereinafter referred to as the "Operation of the Cooperation through Finance and Investment ") to the banks prescribed under the Banking Act (Act No. 59 of 1981), the long-term credit banks prescribed under the Long-Term Credit Bank Act (Act No. 187 of 1952), and financial institutions prescribed by Cabinet Order (hereafter in this Article referred to as the "Banks, etc.").
(2) In the application of penal provisions such as the Penal Code (Act No. 45 of 1907), an officer and an employee of the Banks, etc. to which the operations of the Agency have been entrusted pursuant to the provisions of the preceding paragraph (hereinafter referred to as the "Trustee"), those who are engaged in the entrusted operations shall be deemed by laws and regulations as a person engaged in public service.

(Matters to be Stated in Mid-Term Plan)
Article 16

With respect to the application to the Agency of the provisions of paragraph (2) of Article 30 of the Act on General Rules regarding the Mid-Term Plan prescribed in paragraph (1) of said Article, the words "the following matters" in paragraph (2) of said Article shall be treated as meaning "the following matters (with regard to the Operations of the Cooperation through Finance and Investment, excluding the matters listed in item (iii) and item (vii))".

Chapter 4 Finance and Accounting

(Separation of Accounting)
Article 17

(1) The Agency shall separate its accounting by each operation provided below, and allocate it by creating accounts for each operation:
  (i) The operations prescribed in Article 13 (excluding the Operations of the Cooperation through Finance and Investment); and
  (ii) The Operations of the Cooperation through Finance and Investment.
(2) The accounting of the amount pertaining to each of the following items shall be allocated under the accounts prescribed in the relevant item.
  (i) The amount which was deemed to have been contributed to the Agency pursuant to the provisions of paragraph (6) of Article 2 of the Supplementary Provisions - the accounts pertaining to the operations prescribed in item (i) of the preceding paragraph (hereinafter referred to as the "General Accounts").
  (ii) The amount which was deemed to have been contributed to the Agency pursuant to the provisions of paragraph (7) of Article 2 of the Supplementary Provisions of the Amendment Act - the accounts pertaining to the Operations of the Cooperation through Finance and Investment (hereinafter referred to as the "Accounts for Finance and Investment").

(Budget pertaining to the Operations of the Cooperation through Finance and Investment)
Article 18

(1) The Agency shall, for each business year, prepare a budget of income and expenditure pertaining to the Operations of the Cooperation through Finance and Investment and submit it to the Minister of Finance through the competent Minister.
(2) The income referred to in the preceding paragraph shall comprise interest on loans, dividends from investments, and other income accruing from the investment of assets, and incidental miscellaneous income; and the expenditure referred to in the same paragraph shall comprise expenses for management of administrative duties, expenses of delegation of operations, interest on the borrowings under the provisions of paragraph (1) of Article 45 of the Act on General Rules and paragraph (1) of Article 32 of this Act, the interest on the

Agency Bonds issued pursuant to the provisions of said paragraph or paragraph (5) of said Article, and incidental expenses.

(3) Upon receipt of the budget pertaining to the Operations of the Cooperation through Finance and Investment submitted pursuant to the provisions of paragraph (1), the Minister of Finance shall examine it, make any necessary adjustments thereto, and obtain the Cabinet's decision thereon.

(4) When the Cabinet decided on the budget pertaining to the Operations of the Cooperation through Finance and Investment pursuant to the preceding paragraph, the Cabinet shall submit the budget to the Diet together with the national budget.

(5) The form and the contents of the budget pertaining to the Operations of the Cooperation through Finance and Investment shall be determined by the Minister of Finance through consultation with the competent Minister.

(6) The procedures for the preparation and submission of the budget pertaining to the Operations of the Cooperation through Finance and Investment shall be determined by the Minister of Finance.

Article 19

The following documents shall be attached to the budget pertaining to the Operations of the Cooperation through Finance and Investment prescribed in the preceding Article:

(i) Documents concerning the business plan and financial plan pertaining to the Operations of the Cooperation through Finance and Investment for the relevant business year;

(ii) The profit and loss statement, balance sheet, and inventory of properties pertaining to the Operations of the Cooperation through Finance and Investment for the business year prior to the preceding business year;

(iii) The estimated profit and loss statement and estimated balance sheet pertaining to the Operations of the Cooperation through Finance and Investment for the preceding and current business years;

(iv) Any other reference materials with respect to the budget concerned.

(Contingency pertaining to the Operations of the Cooperation through Finance and Investment)

Article 20

The Agency may include contingency in its budget pertaining to the Operations of the Cooperation through Finance and Investment to cover a shortfall in the expenditure budget which may arise from unforeseeable causes.

(Resolution on Budget pertaining to the Operations of the Cooperation through Finance and Investment)
Article 21

The resolution of the Diet on the budget pertaining to the Operations of the Cooperation through Finance and Investment shall be governed by the same rules as those for the resolution on the national budget.

(Notification of Passing of Budget pertaining to the Operations of the Cooperation through Finance and Investment)
Article 22

(1) When the budget pertaining to the Operations of the Cooperation through Finance and Investment has been resolved on by the Diet, the Cabinet shall immediately notify the Agency to that effect through the competent Minister.
(2) The Agency may not execute its budget before it receives notification pursuant to the provision of the preceding paragraph.
(3) When the notification has been made pursuant to the provisions of paragraph (1), the Minister of Finance shall immediately notify the Board of Audit to that effect.

(Supplementary Budget pertaining to the Operations of the Cooperation through Finance and Investment)
Article 23

(1) The Agency may, when it becomes necessary to revise the budget pertaining to the Operations of the Cooperation through Finance and Investment because of an event which has occurred after the preparation of the budget, prepare a supplementary budget pertaining to the Operations of the Cooperation through Finance and Investment and submit it to the Minister of Finance through the

competent Minister by attaching thereto the documents prescribed in item (i), item (iii) and item (iv) of Article 19 which have been revised as a result of the preparation of the relevant supplementary budget (excluding the profit and loss statement and balance sheet pertaining to the Operations of the Cooperation through Finance and Investment for the preceding business year); provided, however, that a supplementary budget pertaining to the increase of the budget may be prepared only in the case where it became urgently necessary as a result of an event which has occurred after the preparation of the relevant budget.

(2) The provisions of paragraph (2) through paragraph (6) of Article 18 and of the preceding two (2) Articles shall apply mutatis mutandis to the supplementary budget pertaining to the Operations of the Cooperation through Finance and Investment prescribed in the preceding paragraph.

(Provisional Budget pertaining to the Operations of the Cooperation through Finance and Investment)
Article 24

(1) The Agency may, when necessary, prepare a provisional budget pertaining to the Operations of the Cooperation through Finance and Investment for a specific period within a business year and submit it to the Minister of Finance through the competent Minister, together with the business plan and financial plan pertaining to the Operations of the Cooperation through Finance and Investment for the relevant period and reference materials relevant to that provisional budget.

(2) The provisions of paragraph (2) through paragraph (6) of Article 18, Article 21, and Article 22 shall apply mutatis mutandis to the provisional budget pertaining to the Operations of the Cooperation through Finance and Investment prescribed in the preceding paragraph.

(3) The provisional budget pertaining to the Operations of the Cooperation through Finance and Investment shall cease to be effective when Diet approval of the budget pertaining to the Operations of the Cooperation through Finance and Investment for the business year has been obtained; and if expenditures have been made under the provisional budget pertaining to the Operations of the Cooperation through Finance and Investment, they shall be deemed to have been made pursuant to the budget pertaining to the Operations of the Cooperation through Finance and Investment for that business year.

(Execution of Budget pertaining to the Operations of the Cooperation through Finance and Investment)
Article 25

The Agency shall not use the budget for the expenditure pertaining to the Operations of the Cooperation through Finance and Investment for any other purpose than those prescribed in the relevant budget.

Article 26

(1) The Agency may not divert the amount of the expense designated in the budget pertaining to the Operations of the Cooperation through Finance and Investment to other purpose without obtaining the approval of the Minister of Finance.
(2) When the Agency intends to obtain the approval pursuant to the provisions of the preceding paragraph, it shall do so through the competent Minister.
(3) When the Minister of Finance has granted the approval set forth in the preceding paragraph, the Minister of Finance shall immediately notify the Board of Audit to that effect.
(4) When the Minister of Finance has granted the approval pursuant to the paragraph (1), the Minister of Finance shall without delay notify the competent Minister to that effect.

Article 27

(1) When the Agency makes use of a contingency pertaining to the Operations of the Cooperation through Finance and Investment, it shall immediately notify the Minister of Finance to that effect through the competent Minister.
(2) Upon receipt of the notification pursuant to the provision of the preceding paragraph, the Minister of Finance shall immediately notify the Board of Audit to that effect.

(Financial Statements, etc. pertaining to the Operations of the Cooperation through Finance and Investment)
Article 28

(1) The Agency shall prepare an inventory of property and a balance sheet (including an electromagnetic record (referring to a record made by an electronic method, magnetic method and method which may not be recognized by human perception and is designated by Minister of Finance as the record to be used for the information processing by a computer; hereinafter the same shall apply in this paragraph and paragraph (1) of Article 30) which records the items to be stated in such inventory of property and balance sheet) pertaining to the Operations of the Cooperation through Finance and Investment for each half-year period from April to September and from October to March of the following year, and profit and loss statement (including an electromagnetic record which records the items to be stated in such profit and loss statement) pertaining to the Operations of the Cooperation through Finance and Investment for each half-year and for each business year (hereinafter referred to as "Financial Statements"), and make a report of them together with the audit report thereon to the Minister of Finance through the competent Minister within two (2) months of the end of the relevant half-year and within three (3) months of the end of the relevant business year.

(2) When the Agency has made a report of the Financial Statements prescribed in the preceding paragraph, it shall without delay give public notice thereof in the official gazette, keep the Financial Statements and the annexed specifications and also the audit report set forth in said paragraph at all of its offices and make such documents available for public inspection during the period prescribed by the Ordinance of the Ministry of Finance.

(3) When the Agency completed the settlement of accounts pertaining to the Operations of the Cooperation through Finance and Investment, the Agency shall without delay keep a business report on its operations pertaining to the Operations of the Cooperation through Finance and Investment for that business year at all its offices and make it available for public inspection during the period prescribed in the Ordinance of the Ministry of Finance.

(4) The items to be stated in the annexed specifications prescribed in paragraph (2) and the business report prescribed in the preceding paragraph shall be provided for in the Ordinance of the Ministry of Finance.

(5) The provision of Article 38 of the Act on General Rules shall not be applicable to the Financial Statements pertaining to the Operations of the Cooperation through Finance and Investment.

(Settlement of Accounts pertaining to the Operations of the Cooperation through Finance and Investment)
Article 29

The Agency shall complete the settlement of accounts pertaining to the Operations of the Cooperation through Finance and Investment for each business year by not later than May 31 of the following business year.

Article 30

(1) After the completion of the settlement of accounts pertaining to the Operations of the Cooperation through Finance and Investment, the Agency shall prepare a report of the settlement of accounts pertaining to the Operations of the Cooperation through Finance and Investment for each business year (including any electromagnetic records which records the items to be stated in such report of the settlement of accounts) according to the classifications in the budget pertaining to the Operations of the Cooperation through Finance and Investment, and submit it to the Minister of Finance without delay through the competent Minister by attaching thereto the audit report regarding such report on the settlement of accounts as well as the Financial Statements pertaining to the Operations of the Cooperation through Finance and Investment which have been submitted to the Minister of Finance pursuant to the provision of paragraph (1) of Article 28.
(2) When the Minister of Finance received the submission of the report on the settlement of accounts and the Financial Statements pertaining to the Operations of the Cooperation through Finance and Investment pursuant to the provision of the preceding paragraph, the Minister of Finance shall send them to the Cabinet.
(3) When the Cabinet receives the report on the settlement of accounts and the Financial Statements pertaining to the Operations of the Cooperation through Finance and Investment pursuant to the provision of the preceding paragraph, it shall send them to the Board of Audit by November 30 of the following business year, and after the inspection by the Board of Audit, submit them to the Diet together with the settlement of accounts of the national revenue and expenditure.
(4) After the Agency has submitted the report on the settlement of accounts

pertaining to the Operations of the Cooperation through Finance and Investment pursuant to the provision of paragraph (1), it shall, without delay, keep at each of its office the report on the settlement of accounts and the audit report set forth in said paragraph and make them available for public inspection during the period prescribed by the Ordinance of the Ministry of Finance.

(5) The form and content of the report of the settlement of accounts pertaining to the Operations of the Cooperation through Finance and Investment provided for in paragraph (1) shall be determined by the Minister of Finance.

(6) The provision of paragraph (5) of Article 28 shall apply mutatis mutandis to the report on the settlement of accounts pertaining to the Operations of the Cooperation through Finance and Investment.

(Special Provisions, etc. regarding Disposition of Profit and Loss)
Article 31

(1) With respect to the General Accounts, if, after making the allocation under the provision of paragraph (1) or paragraph (2) of Article 44 of the Act on General Rules pertaining to the last business year of the period for the Mid-Term Objective (hereinafter referred to as the "Mid-Term Objective Period" in this paragraph) prescribed in item (i) of paragraph (2) of Article 29 of the Act on General Rules, there is any reserve fund for the General Accounts prescribed in paragraph (1) of Article 44 of said Act, the Agency may allocate the portion of such amount, pertaining to which the approval of the Minister for Foreign Affairs has been obtained, as a source of financing the operations prescribed in item (i) of paragraph (1) of Article 17 for the Mid-Term Objective Period following the relevant Mid-Term Objective Period, as prescribed by the Mid-Term Plan pertaining to which the approval under paragraph (1) of Article 30 of the Act on General Rules has been obtained (if the approval for its revision has been obtained under the provision of the second sentence of said paragraph, referring to the Mid-Term Plan as so revised) for such following Mid-Term Objective Period.

(2) If there is any residual amount in the reserve fund for the General Accounts prescribed in the preceding paragraph after deducting them from the amount which the approval has been obtained pursuant to the provision of said paragraph, the Agency shall pay such residual amount to the National Treasury.

(3) In addition to the matters provided for in the preceding two (2) paragraphs,

the procedures for the payments of amounts due pertaining to the General Accounts and necessary matters concerning the disposal of the reserve fund for the General Accounts shall be provided by Cabinet Order.

(4) With respect to the Accounts for the Finance and Investment for each business year, if the calculation of profits and losses resulted in a profit, the Agency shall use it to make up the losses carried forward from the preceding business year, and if there is still any residual amount, shall accumulate such amount as a reserve fund for finance and investment until it reaches the amount equal to the amount of stated capital allocated for the Accounts for the Finance and Investment.

(5) With respect to the Accounts for Finance and Investment for each business year, if the calculation of profits and losses resulted in a loss, the Agency shall allocate it by reducing the reserve fund pursuant to the provision of the preceding paragraph, and if there still is a shortfall, shall allocate the amount of such shortfall as a carried forward loss.

(6) The reserve fund for finance and investment prescribed in paragraph (4) shall not be drawn down except for the purpose of covering losses incurred in the Accounts for Finance and Investment.

(7) The Agency shall pay the balance, obtained by deducting the amount accumulated as the reserve fund for finance and investment pursuant to the provision of paragraph (4) from the residual amount prescribed in said paragraph, to the National Treasury by May 31 of the following business year.

(8) The Japanese Government may have a portion of the payment amount prescribed by the provision of the preceding paragraph paid to the National Treasury during the relevant business year based on the estimation pursuant to the provision of Cabinet Order.

(9) In addition to the matters provided for in the preceding paragraph, the procedures for the payment of the amount payable pertaining to the Accounts for Finance and Investment pursuant to the provision of paragraph (7) and necessary matters concerning the amount payable shall be prescribed by Cabinet Order.

(10) The provision of Article 44 of the Act on General Rules shall not be applicable to the Accounts for Finance and Investment.

(Long-Term Borrowing and Japan International Cooperation Agency Bond under the Accounts for Finance and Investment)

Article 32

(1) The Agency may borrow funds from the Japanese Government on a long-term basis or issue Japan International Cooperation Agency Bond (hereinafter referred to as the "Agency Bond"), in order to allocate them as a source for financing the fund necessary to perform the Operations of the Cooperation through Finance and Investment.
(2) The funds procured by the long-term borrowing or issuance of the Agency Bond pursuant to the provisions of the preceding paragraph shall be made to belong to the Accounts for Finance and Investment.
(3) For each business year, the Agency shall prepare, pursuant to the provision of Cabinet Order, a basic policy regarding the issuance of the Agency Bond prescribed by paragraph (1), and obtain the approval from the competent Minister. The same shall apply when the Agency intends to revise such policy.
(4) When the Agency has issued the Agency Bond pursuant to the provision of paragraph (1), it shall without delay notify to that effect to the competent Minister pursuant to the provision of Cabinet Order.
(5) In addition to the matters provided for in paragraph (1), the Agency may, pursuant to the provision of Cabinet Order, issue Agency Bond, when it is necessary to deliver to a person who has lost his or her Agency Bond.
(6) The obligees pertaining to the Agency Bond issued pursuant to the provision of paragraph (1) or the preceding paragraph shall have the right to receive payment for their claims with priority, regarding the property of the Agency, to other creditors.
(7) The order of priority of the statutory lien set forth in the preceding paragraph shall be second to the general statutory lien under the provisions of the Civil Code (Act No. 89 of 1896).
(8) The Agency may entrust the whole or a part of any administrative entities related to the issuance of Agency Bond to banks, trust corporations, or entities conducting the financial products exchange business (referring to the financial products exchange business prescribed in paragraph (8) of Article 2 of the Financial Products Exchange Act (Act No. 25 of 1948); the same shall apply in the next paragraph).
(9) The provision of paragraph (1) and paragraph (2) of Article 705 and Article 709 of the Companies Act (Act No. 86 of 2005) shall apply mutatis mutandis to the banks, trust corporations, or entities conducting the financial products

exchange business to which the entrustment was made pursuant to the provision of the preceding paragraph.

(10) In addition to the matters provided for in the preceding paragraphs, necessary matters relating to the Agency Bond shall be prescribed by Cabinet Order.

(Limitation of Amount of Borrowing, etc. under the Accounts for Finance and Investment)
Article 33

(1) The total of the outstanding amount of short-term borrowings pursuant to the provisions of paragraph (1), Article 45 of the Act on General Rules, the outstanding amount of long-term borrowings pursuant to the provision of paragraph (1) of the preceding Article, and the outstanding amount of the obligations pertaining to the principal of the Agency Bond issued pursuant to the provision of said paragraph shall not exceed the amount which is three times of the sum of the amount of the portion of the stated capital prescribed in Article 5 which is allocated to the Accounts for Finance and Investment and the amount of the reserve fund for finance and investment prescribed in paragraph (4) of Article 31.

(2) Notwithstanding the provision of the preceding paragraph, with respect to the Agency Bond, if it is necessary for refinancing those already issued, the Agency Bond may be issued temporarily in excess of such amount.

(Government Guarantee)
Article 34

(1) Notwithstanding the provision of Article 3 of the Act on Restriction on Financial Assistance by the Japanese Government to Juridical Persons (Act No. 24 of 1946), the Japanese Government may guarantee the obligations pertaining to the Agency Bond issued pursuant to the provision of paragraph (1) of Article 32 (excluding the obligations which the Japanese Government may guarantee pursuant to Article 2 of the Act concerning Special Measures with respect to Acceptance of Foreign Capital from the International Bank for Reconstruction and Development, etc. (Act No. 51 of 1953) (hereinafter referred to as the "Foreign Capital Acceptance Act" in this Article); the same being applicable in

paragraph (3)) within the amount prescribed by the budget.

(2) When, with respect to the amount prescribed in a budget referred to in the preceding paragraph, it is difficult to provide the amount of obligations with respect to Agency Bond denominated in Japanese currency to be issued in a foreign country as distinct from the amount prescribed in a budget referred to in paragraph (2), Article 2 of the Foreign Capital Acceptance Act, it may be prescribed in aggregate with such amount.

(3) The Japanese Government may, in addition to the cases prescribed in paragraph (1), guarantee the obligations with respect to Agency Bond issued by the Agency pursuant to paragraph (5), Article 32.

(Granting Funds)
Article 35

(1) Within the limitation of the budget, the Japanese Government shall grant the Agency the funds which are necessary for the Agency to allocate for the gift under the Cooperation through Grant prescribed in clause (a), item (iii) of paragraph (1) of Article 13 (hereinafter referred to as the "Gift" in this Article) on a plan-to-plan basis of such Cooperation through Grant.

(2) The Agency shall allocate the funds granted pursuant to the provision of the preceding paragraph as funds to be appropriated for the Gift.

(3) If there is any residual amount of the reserve fund granted pursuant to the provision of paragraph (1) even after the completion of the relevant plan of the Cooperation through Grant, the Agency shall pay such residual amount to the National Treasury. Provided, however, that in the case where the approval of the Minister for Foreign Affairs has been obtained, the whole or a part of such residual amount may be allocated for the Gift of the business year which immediately follows the business year in which the date of completion of the relevant plan falls.

(Special Provisions for Investment of Surplus Fund)
Article 36

Notwithstanding the provision of Article 47 of the Act on General Rules, the Agency may invest the operational surplus fund belonging to the Accounts for Finance and Investment in the following manners:

(i) Depositing in the Fiscal Loan Fund;
(ii) Depositing in the Bank of Japan;
(iii) Holding negotiable bank deposit certificates; and
(iv) Other methods designated by the competent Minister as safe and efficient method.

(Mutatis Mutandis Application of the Act on the Normalization of Execution of the Budget pertaining to Subsidy, etc.)
Article 37

The provisions (including penal provisions) of the Act on the Normalization of Execution of the Budget pertaining to Subsidy, etc. (Act No. 179 of 1955) shall apply mutatis mutandis to the subsidy granted by the Agency pursuant to the provision of clause (c), item (v) of paragraph (1) of Article 13. In this case, the terms "each ministry and each agency" in said Act (excluding paragraph (7) of Article 2) shall be deemed to be replaced with "the Incorporated Administrative Agency-Japan International Cooperation Agency"; the terms "the head of each ministry and each agency" with "the President of the Incorporated Administrative Agency-Japan International Cooperation Agency"; the terms "the State" in paragraph (1) and paragraph (4) of Article 2, paragraph (2) of Article 7, paragraph (1) and paragraph (2) of Article 19, Article 24, and Article 33 of said Act with "the Incorporated Administrative Agency-Japan International Cooperation Agency"; and the terms "the fiscal year of the State" in Article 14 of said Act with "the business year of the Incorporated Administrative Agency-Japan International Cooperation Agency".

Chapter 5 Miscellaneous Provisions

(Report and Inspection)
Article 38

(1) When the competent Minister finds it necessary for the enforcement of this Act, the competent Minister may have the Trustee make a report within the scope of the operations entrusted to such Trustee, or cause the Minister's staff members to enter the offices of the Trustee and inspect the status of the

operations or books and records, documents and necessary articles.

(2) When an employee is to perform the on-site inspection pursuant to the provision of the preceding paragraph, such member shall carry with him or her an identification card and present it to the persons concerned.

(3) The authority to perform the on-site inspection prescribed in paragraph (1) shall not be interpreted to have been granted for a criminal investigation.

(Delegation of Authority)
Article 39

(1) The competent Minister may delegate a part of the authority to perform the on-site inspection prescribed in paragraph (1) of the preceding Article and paragraph (1) of Article 64 of the Act on General Rules to the Prime Minister pursuant to the provision of Cabinet Order; provided, however, that it shall be limited to the scope of the Operations of the Cooperation through Finance and Investment.

(2) When the Prime Minister performs the on-site inspection pursuant to the provision of paragraph (1) of the preceding Article or paragraph (1) of Article 64 of the Act on General Rules based on the delegation prescribed in the preceding paragraph, the Prime Minister shall promptly report its result to the competent Minister.

(3) The Prime Minister delegates the authority delegated pursuant to the provision of paragraph (1) and the authority prescribed in the preceding paragraph to the Commissioner of the Financial Services Agency.

(4) The Commissioner of the Financial Services Agency may delegate the whole or a part of the authority delegated pursuant to the provision of the preceding paragraph to the Director-General of the Local Finance Bureau or to the Director-General of the Local Finance Branch Bureau.

(Request of the Minister for Foreign Affairs, etc. in the Case of Urgent Necessity)
Article 40

(1) The Minister for Foreign Affairs may request the Agency to take necessary measures with regard to the operations prescribed in Article 13 or to its offices located abroad when the Minister finds it urgently necessary for the execution of

diplomatic policies because of a drastic change in the international situations or in response to a request, etc. made by a foreign government or international organization (including international conferences and frameworks for international cooperation), or when the Minister finds it urgently necessary in response to a request made by a relevant administrative organ.

(2) The competent Minister may request the Agency to take necessary measures with regard to the matters listed in item (ii) of paragraph (1) of Article 43 when the Minister finds it urgently necessary to avoid the situation of significantly exacerbating finances pertaining to the Operations of the Cooperation through Finance and Investment.

(3) When the request pursuant to the provision of paragraph (1) was made by the Minister for Foreign Affairs, or when the request was made pursuant to the provision of the preceding paragraph by the competent Minister, the Agency shall meet such request in the absence of a justifiable reason not to do so.

(Communication, etc.)
Article 41

(1) The Agency shall have close liaison with the local governments regarding the administration of the operations listed in item (i), clause (a) and clause (b) of item (iv), item (v), and item (vi) of paragraph (1) of Article 13, and in paragraph (2) of said Article.

(2) Local governments shall endeavor to cooperate with the Agency regarding the administration of the operations prescribed in the preceding paragraph.

(Consultation)
Article 42

(1) The Minister for Foreign Affairs shall consult with the Minister of Finance in the following cases:

(i) When the Minister for Foreign Affairs intends to appoint the Auditor pursuant to the provision of paragraph (2) of Article 20 of the Act on General Rules;

(ii) When the Minister for Foreign Affairs intends to grant the approval pursuant to the provision of paragraph (1) of Article 31 pertaining to the operations listed in item (i) of paragraph (1) of Article 17; and

(iii) When the Minister for Foreign Affairs intends to grant the approval pursuant to the provision of paragraph (3) of Article 35.

(2) The Minister for Foreign Affairs shall consult with the head of the relevant administrative organ (excluding the Minister of Finance in the cases of item (i) and item (ii)) in the following cases:

(i) When the Minister for Foreign Affairs intends to set up or revise the Mid-Term Objective pursuant to the provision of paragraph (1) of Article 29 of the Act on General Rules in respect of the operations listed in item (i) and item (iv) through item (vii) of paragraph (1) of Article 13;

(ii) When the Minister for Foreign Affairs intends to grant the approval pursuant to the provision of paragraph (1) of Article 30 of the Act on General Rules pertaining to the operations listed in item (i) and item (iv) through item (vii) of paragraph (1) of Article 13; and

(iii) When the Minister for Foreign Affairs intends to confirm the appropriate operations to be performed by the Agency through the entrustment to the persons desiring to join the Citizens' Cooperation Activities, etc. pertaining to the operations listed in clause (c), item (iv) of paragraph (1) of Article 13.

(3) With respect to the operations prescribed in item (ii) of paragraph (1) of Article 13, the Minister for Foreign Affairs shall consult with the Minister of Finance and the Minister of Economy, Trade and Industry in the cases of item (i) through item (iv), and shall consult with the Minister of Economy, Trade and Industry in the cases of item (v) and item (vi):

(i) When the Minister for Foreign Affairs intends to designate the entity to receive the loan or capital contribution pursuant to the provision of item (ii) of paragraph (1) of Article 13;

(ii) When the Minister for Foreign Affairs intends to make a request for the implementation of necessary measures pursuant to the provision of paragraph (1) of Article 40;

(iii) When the Minister for Foreign Affairs intends to grant the approval pursuant to the provision of paragraph (1) of Article 28 of the Act on General Rules;

(iv) When the Minister of Foreign Affairs intends to provide for the Ordinance of the Ministry of Foreign Affairs pursuant to the provision of paragraph (2) of Article 28 of the Act on General Rules;

(v) When the Minister for Foreign Affairs intends to set up or revise the

Mid-Term Objective pursuant to the provision of paragraph (1) of Article 29 of the Act on General Rules; and

(vi) When the Minister for Foreign Affairs intends to grant the approval pursuant to the provision of paragraph (1) of Article 30 of the Act on General Rules.

(4) With respect to the operations prescribed in clause (a), item (ii) of paragraph (1) of Article 13, the Minister for Foreign Affairs shall hear the opinions of the head of the relevant administrative organ in the events set forth in the following items regarding the matters prescribed in the relevant item (excluding the matters relating to the officers and employees, and finance and accounting, and managerial operations (referred to as the "Managerial Operations" in paragraph (1) of the following Article)):

(i) When the Minister for Foreign Affairs intends to set up or revise the Mid-Term Objective pursuant to the provision of paragraph (1) of Article 29 of the Act on General Rules - the matters listed in item (ii), item (iii) and item (v) of paragraph (2) of said Article; and

(ii) When the Minister for Foreign Affairs intends to grant the approval pursuant to the provision of paragraph (1) of Article 30 of the Act on General Rules - the matters listed in item (i), item (ii), and item (viii) of paragraph (2) of said Article.

(Competent Minister, etc.)
Article 43

(1) The competent Minister under this Act and the Act on General Rules pertaining to the Agency shall be as follows:

(i) With respect to the matters relating to the managerial operations (excluding those listed in the next item) - the Minister for Foreign Affairs;

(ii) With respect to the matters relating to the managerial operations which are of finances and accounting pertaining to the Operations of the Cooperation through Finance and Investment - the Minister for Foreign Affairs and the Minister of Finance; and

(iii) With respect to the matters other than the managerial operations - the Minister for Foreign Affairs.

(2) The competent Ordinance under the Act on General Rules pertaining to the Agency shall be the orders issued by the competent Minister.

(Exclusion from Application of the National Public Officers Housing Act)
Article 44

The provisions of the National Public Officers Housing Act (Act No. 117 of 1949) shall not be applicable to the officers and employees of the Agency.

Chapter 6 Penal Provisions

Article 45

Any person who, in violation of the provision of Article 11, has divulged or appropriated any secret, shall be punished by imprisonment with work for not more than one (1) year or a fine of not more than 300,000 yen.

Article 46

(1) The officer or employee of the Trustee who failed to submit a report or submitted a false report prescribed in paragraph (1) of Article 38, or refused, obstructed, or recused the inspection pursuant to the provision of said paragraph shall be punished by a fine of not more than 300,000 yen.
(2) With respect to the application of the provision of Article 70 of the Act on General Rules pertaining to the officers or employees of the Agency, the words "200,000 yen" shall be treated as meaning "300,000 yen".

Article 47

The officer or employee of the Agency who has fallen under any of the following items shall be punished by a non-penal fine of not more than 200,000 yen:

(i) When the officer or employee conducted an operation other than the operations prescribed in Article 13;
(ii) When the officer or employee failed to obtain the approval of the Minister for Foreign Affairs or the Minister of Finance where such approval is required pursuant to the provision of this Act;
(iii) When the officer or employee failed to obtain the approval of the

competent Minister where such approval is required pursuant to the provision of this Act;

(iv) When the officer or employee failed to notify or made a false notification to the Minister of Finance or the competent Minister where such notification is required pursuant to the provision of this Act;

(v) When the officer or employee borrowed funds or issued a bond in violation of the provision of paragraph (1) of Article 33; or

(vi) When the officer or employee invested the operational surplus funds in violation of the provision of Article 36.

Article 48

A person who violated the provision of Article 6 shall be punished by a non-penal fine of not more than 100,000 yen.

Supplementary Provisions

(Effective Date)
Article 1

This Act shall come into effect as of the date of the promulgation. Provided, however, that the provisions of Article 5 through Article 7 and Article 10 through Article 16 of the Supplementary Provisions shall come into effect as of October 1, 2003.

(Dissolution, etc. of Japan International Cooperation Agency)
Article 2

(1) The Japan International Cooperation Agency (hereinafter referred to as the "Former Agency") shall dissolve at time of the establishment of the Agency and any and all of its rights and obligations, with the exception of the assets to which the State shall succeed pursuant to the provisions of the following paragraph, shall be succeeded to by the Agency.

(2) Of the rights and obligations actually held by the Former Agency at the time of the establishment of the Agency, the assets other than those necessary for the

Agency to surely implement those operations shall be succeeded to by the State at the time of the establishment of the Agency.

(3) The scope of the assets, to which the State shall succeed pursuant to the provisions of the preceding paragraph, and other matters necessary for the State's succession to such assets shall be prescribed by Cabinet Order.

(4) The business year of the Former Agency which starts from April 1, 2003 shall end on the date preceding the dissolution date of the Former Agency.

(5) The settlement of accounts, inventory of properties, balance sheet, and profit and loss statement pertaining to the business year of the Former Agency which starts from April 1, 2003 shall be in accordance with the former rules.

(6) When the Agency succeeds to the rights and the obligations of the Former Agency pursuant to the provisions of paragraph (1), the amount obtained by subtracting the amount of the liabilities from the value of the assets to be succeeded to at the time of such succession shall be deemed to have been contributed by the Japanese Government to the Agency.

(7) The value of the assets set forth in the preceding paragraph shall be the value appraised by the appraisal committee members based on the market value as of the establishment date of the Agency.

(8) The matters regarding the appraisal committee members set forth in the preceding paragraph and other matters necessary for appraisal shall be prescribed by Cabinet Order.

(9) The registration for the dissolution in case of the dissolution of the Former Agency pursuant to the provisions of paragraph (1) shall be prescribed by Cabinet Order.

(Special Provisions for Operations)
Article 3

(1) The Agency may perform the operations described below (including the operations incidental thereto) in addition to the operations prescribed in Article 13.

(i) Until the collection against the claims is terminated pertaining to the money loaned pursuant to the provisions of clause (a) or clause (b) of item (iii) of paragraph (1) of Article 21 of the Japan International Cooperation Agency Act prior to its abolition pursuant to the provisions of Article 5 of the Supplementary Provisions (Act No. 62 of 1974; hereafter referred to as the

"Old Act" in this paragraph, the next Article and Article 6 of the Supplementary Provisions), to manage and collect against such claims.

(ii) For the time being, to loan money pertaining to the funds, which is provided for in clause (a) or clause (b) of item (iii) of paragraph (1) of Article 21 of the Old Act and the Former Agency decided to loan.

(iii) For the time being, to perform the study and provide the technical guidance necessary for the operations which is the subject of the loan or the capital contribution pursuant to the provisions of clause (a) or clause (b) of item (iii) of paragraph (1) of Article 21 of the Old Act, or which is the subject of the loan pursuant to the provisions of the preceding item.

(iv) Until the collection is terminated against the claims pertaining to the transfers of lands made pursuant to the provisions of clause (e), item (iv) of paragraph (1) of Article 21 of the Old Act, to manage and collect against such claims.

(v) For the time being, to manage and transfer the lands acquired pursuant to the provisions of clause (e), item (iv) of paragraph (1) of Article 21 of the Old Act.

(vi) Until the collection is terminated against the claims pertaining to the fund loaned pursuant to the provisions of clause (f) or clause (g) of item (iv) of paragraph (1) of Article 21 of the Old Act, to manage and collect against such claims.

(vii) Until March 31, 2006, to loan emigrants or their organizations who or which operate businesses, such as the agriculture, fishery and manufacturing industries in a foreign country the money necessary for such business, and to loan persons (excluding emigrants and their organizations) who operate businesses, such as the agriculture, fishery and manufacturing industries in a foreign country which are deemed to contribute to the settling down and stabilization of the emigrants the money necessary for such business.

(2) When the Agency performs the operations prescribed in item (i) through item (iii) of the preceding paragraph pursuant to the provisions of said paragraph, notwithstanding the provisions of Article 43, the competent Minister and the competent Ordinance under the Act on General Rules pertaining to the Agency with respect to the matters relating to the development of agriculture and forestry industries out of these operations shall be the Minister for Foreign Affairs and the Minister of Agriculture, Forestry and Fisheries and the Ordinance of the Ministry of Foreign Affairs and the Ordinance of the Ministry

of Agriculture, Forestry and Fisheries respectively and the competent Minister and the competent Ordinance under the Act on General Rules pertaining to the Agency with respect to the matters relating to the development of mining and manufacturing industries shall be the Minister for Foreign Affairs and the Minister of Economy, Trade and Industry and the Ordinance of the Ministry of Foreign Affairs and the Ordinance of the Ministry of Economy, Trade and Industry respectively.

(3) When the Agency performs the operations prescribed in paragraph (1) pursuant to the provisions of paragraph (1), the terms “Article 13” in item (i) of paragraph (1) of Article 17 and item (i) of Article 47 shall become “Article 13 and paragraph (1) of Article 3 of the Supplementary Provisions”.

(Reduction in Stated Capital)
Article 4

(1) The Agency shall pay to the National Treasury pursuant to the provisions of the Ordinance the total amount of assets obtained from the collection of claims and funds described below after subtracting the amount prescribed in the Ordinance.

(i) The claims prescribed in item (i), item (iv) and item (vi) of paragraph (1) of the preceding Article.

(ii) The claims pertaining to the loan made pursuant to the provisions of item (ii) and item (vii) of paragraph (1) of the preceding Article.

(iii) The claims pertaining to the transfers of lands made pursuant to the provisions of item (v) of paragraph (1) of the preceding Article.

(iv) The capital contributions made pursuant to the provisions of clause (b) of item (iii) of paragraph (1) of Article 21 of the Old Act.

(2) When the Agency makes the payment to the Treasury pursuant to the provisions of the preceding paragraph, the stated capital shall be reduced by such payment amount.

(Abolition of the Japan International Cooperation Agency Act)
Article 5

The Japan International Cooperation Agency Act shall be abolished.

(Transitional Measures for the Abolition of the Japan International Cooperation Agency Act)
Article 6

The dispositions, procedures and other acts under the provisions of the Old Act (excluding Article 10) which are made before the provisions in the preceding Article came into effect shall be deemed as the dispositions, procedures and other acts made pursuant to the Act on General Rules or its equivalent provisions.

Article 7

The application of the penal provisions against the acts committed before the provisions of Article 5 of the Supplementary Provisions came into effect and the acts committed after this Act came into effect which pertain to the matters which are deemed to be in accordance with the former rules pursuant to the provisions of paragraph (5) of Article 2 of the Supplementary Provisions shall be in accordance with the former rules.

(Transitional Measures Concerning Restriction on Use of Name)
Article 8

The provisions of Article 6 shall not be applied, for six (6) months after this Act comes into effect, to any person actually using the name of the Japan International Cooperation Agency at the time this Act comes into effect.

(Delegation to Cabinet Order)
Article 9

In addition to the matters provided for in Article 2 through Article 4 of the Supplementary Provisions and in the preceding three (3) Articles, transitional measures necessary for the establishment of the Agency and other transitional measures necessary in relation to the enforcement of this Act shall be prescribed by Cabinet Order.

Supplementary Provisions (Act No. 100 of November 15, 2006)

(Effective Date)
Article 1

This Act shall come into effect as of October 1, 2008. Provided, however, that the provisions amending Article 19 and the provisions amending said Article to become Article 43, and the provisions of the next following Article and Article 8 of the Supplementary Provisions shall come into effect as from the date of the promulgation, and the provisions of Article 14 of the Supplementary Provisions shall come into effect from the latter of the effective date of this Act and the effective date of the Act on Adjustment, etc. of the Related Acts Accompanying Enforcement of the Act on General Juridical Persons and General Foundations and the Act on Recognition, etc. of Public Service Juridical Persons and Public Foundations (Act No. 50 of 2006).

(Succession to Rights and Obligations)
Article 2

(1) The rights and the obligations which are listed below and actually held by the Japan Bank for International Cooperation at the time this Act comes into effect, with the exception of the assets to which the State shall succeed pursuant to the provisions of the following paragraph, shall be succeeded to by the Incorporated Administrative Agency-Japan International Cooperation Agency (hereinafter referred to as the "Agency") at such time as prescribed by the succession plan which sets forth the matters necessary for the succession to the rights and the obligations.

(i) The rights and the obligations pertaining to the Overseas Economic Cooperation Operations provided for in paragraph (2) of Article 23 of the Japan Bank for International Cooperation Act as it existed prior to its amendment pursuant to the provisions of Article 11 of the Supplementary Provisions (Act No. 35 of 1999; hereafter referred to as the "Pre-Amendment JBIC Act" in this Article through Article 4 and in Article 6 of the Supplementary Provisions).

(ii) Of the rights and the obligations pertaining to the officers, employees, and other managerial operations provided for in item (i) of Article 56 of the Pre-Amendment JBIC Act, those which are determined to be succeeded to by the Agency.

(2) Of the rights pertaining to the operations prescribed in each item of the preceding paragraph, the assets other than those necessary for the Agency to surely implement those operations shall be succeeded to by the State at the time this Act comes into effect.

(3) The scope of the assets to which the State shall succeed pursuant to the provisions of the preceding paragraph and other matters necessary for the Japanese Government's succession to such assets shall be prescribed by Cabinet Order.

(4) The succession plan referred to in paragraph (1) shall be prepared by the Japan Bank for International Cooperation in accordance with the criteria prescribed by Cabinet Order and approved by the Minister of Foreign Affairs and the Minister of Finance.

(5) The settlement of accounts and the preparation ,etc. of the inventory of properties, balance sheet, and profit and loss statement pertaining to the business year of the Japan Bank for International Cooperation, which starts from April 1, 2008 shall be performed by the Agency and the Japan Finance Corporation in accordance with the former rules except for the portions pertaining to paragraph (1) of Article 40 (limited to the part pertaining to the Auditors' opinion) and paragraph (1) of Article 43 (limited to the part pertaining to the Auditors' opinion) of the Pre-Amendment JBIC Act. In this case, the terms "for each half-year from April to September and from October to March of the following year, and" shall be "and", the terms "for each such half-year and for each business year" shall be deleted, and the terms "within two (2) months of the end of the relevant half-year and within three (3) months of the end of the business year concerned" shall be "by December 31, 2008" in paragraph (1) of Article 40 of the Pre-Amendment JBIC Act; the terms "the settlement of accounts for each business year by May 31 of the following business year" in Article 42 of the Pre-Amendment JBIC Act shall be "the settlement of accounts pertaining to the business year which starts from April 1, 2008 by November 30, 2008"; and the terms "November 30 of the following business year" in paragraph (3) of Article 43 of the Pre-Amendment JBIC Act shall be "November 30, 2009".

(6) The disposition of profit and loss and the payment to the National Treasury pursuant to the provisions of Article 44 of the Pre-Amendment JBIC Act pertaining to the Overseas Economic Cooperation Operations provided for in paragraph (2) of Article 23 of the Pre-Amendment JBIC Act for the business

year of the Japan Bank for International Cooperation which starts from April 1, 2008 shall be performed by the Agency in accordance with the former rules. In this case, the terms "each business year" shall be "the business year which starts on April 1, 2008", and the terms "May 31 of the following business year" shall be "November 30, 2008" in paragraph (5) of Article 44 of said Act.

(7) When the Agency succeeds to the rights and the obligations of the Japan Bank for International Cooperation pursuant to the provisions of paragraph (1), the amount obtained by subtracting the amount of the liabilities from the value of the assets (if there is any amount saved as the set-aside fund pursuant to the provisions of paragraph (2) of Article 44 of the Pre-Amendment JBIC Act, such amount shall be deducted from the value; and if there is any amount disposed of as a carried forward loss pursuant to the provisions of paragraph (3) of said Article, such amount shall be added to the value) to be succeeded to at the time of such succession shall be deemed to have been contributed additionally by the Japanese Government to the Agency.

(8) The value of the assets set forth in the preceding paragraph shall be the value appraised by the appraisal committee members based on the market value as of the effective date of this Act.

(9) The matters regarding the appraisal committee members set forth in the preceding paragraph and other matters necessary for the appraisal shall be prescribed by Cabinet Order.

(10) When the Agency succeeds to the rights and the obligations of the Japan Bank for International Cooperation pursuant to the provisions of paragraph (1), the amount saved up as the set-aside fund pursuant to the provisions of paragraph (2) of Article 44 of the Pre-Amendment JBIC Act or the amount disposed of as a carried forward loss pursuant to the provisions of paragraph (3) of said Article at the time of the succession shall be allocated as the reserve fund under paragraph (5) of Article 31 of the Act of the Incorporated Administrative Agency-Japan International Cooperation Agency revised by this Act (hereafter referred to as the "New Act" in this Article, the following Article, and Article 6 of the Supplementary Provisions) or the carried forward loss under paragraph (6) of said Article, respectively, under the Accounts for Finance and Investment provided for in item (ii) of paragraph (2) of Article 17.

(11) When the Agency succeeds to the rights and the obligations of the Japan Bank for International Cooperation pursuant to the provisions of paragraph (1), the Japan Bank for International Cooperation shall reduce its capital at the time

of the succession by the amount of capital belonging to the account pertaining to the operations listed in item (ii) of paragraph (1) of Article 41 of the Pre-Amendment JBIC Act.

(Transitional Measure Accompanying Succession to the Rights and the Obligations)
Article 3

(1) The contract of guarantee set forth in each of the following items which were executed by the Japanese Government pertaining to the obligations pertaining to the borrowings or the bonds prescribed in the relevant item to which obligations the Agency shall succeed pursuant to the provisions of paragraph (1) of the preceding Article shall continue in effect pertaining to the relevant borrowings or bonds, even after such succession, under the pre-existing conditions.

(i) Japan Bank for International Cooperation Bonds under paragraph (1) of Article 45 of the Pre-Amendment JBIC Act - the contract of guarantee pursuant to the provisions of Article 47 of the Pre-Amendment JBIC Act.

(ii) The long-term borrowing of money and the Overseas Economic Cooperation Fund Bonds under paragraph (1) of Article 29-2 of the Overseas Economic Cooperation Fund Act (Act No. 173 of 1960; hereafter referred to as the "Old Fund Act" in this item and the next Article) as it existed prior to its abolition pursuant to the provisions of Article 15 of the Supplementary Provisions of the Pre-Amendment JBIC Act - the contract of guarantee pursuant to the provisions of Article 29-4 of the Old Fund Act.

(2) With respect to the application of the provisions of paragraph (6) and paragraph (7) of Article 32 of the New Act, the Japan Bank for International Cooperation Bonds and the Overseas Economic Cooperation Fund Bonds set forth in the preceding paragraph shall be deemed to be the Agency Bonds provided for in paragraph (1) of said Article.

Article 4

(1) When the Agency succeeds to the obligations of the Japan Bank for International Cooperation pursuant to the provisions of paragraph (1) of Article 2 of the Supplementary Provisions, the Agency shall be responsible jointly and severally with the Japan Bank for International Cooperation for the performance

of the obligations pertaining to all of the Japan Bank for International Cooperation Bonds under paragraph (1) of Article 45 of the Pre-Amendment JBIC Act and the foreign currency bonds, etc. under paragraph (1) of Article 39-2 of the Export-Import Bank of Japan Act (Act No. 268 of 1950) as it existed prior to its abolition pursuant to the provisions of Article 15 of the Supplementary Provisions of the Pre-Amendment JBIC Act, which have been issued at the time of the succession.

(2) The creditors pertaining to the Japan Bank for International Cooperation Bonds or the foreign currency bonds and the like set forth in the preceding paragraph shall have the right, regarding the property of the Japan Bank for International Cooperation, to have their claims satisfied with priority to other creditors.

(3) The order of priority of the statutory lien set forth in the preceding paragraph shall be second to the general statutory lien under the provisions of the Civil Code (Act No. 89 of 1896).

(No Tax)
Article 5

(1) When the Agency succeeds the rights pursuant to the provisions of paragraph (1) of Article 2 of the Supplementary Provisions, the registration license tax shall not be imposed on the registration for such succession.

(2) When the Agency succeeds the rights pursuant to the provisions of paragraph (1) of Article 2 of the Supplementary Provisions, neither real estate acquisition tax nor automobile acquisition tax shall be imposed on the acquisition of real estate or automobile pertaining to such succession.

(Effect of Dispositions, etc.)
Article 6

The dispositions, procedures and other acts under the provisions of the Japan Bank for International Cooperation Act (excluding Article 11) before the amendment, which are made before the provisions in the preceding Article came into effect, shall be deemed as the dispositions, procedures and other acts made pursuant to the Act on General Rules for Incorporated Administrative Agency (Act No. 103 of 1999) or its equivalent provisions in the New Act.

(Transitional Measures Concerning Penal Provisions)
Article 7

The application of the penal provisions against the acts committed before the date of promulgation shall be in accordance with the former rules.

(Delegation to Cabinet Order)
Article 8

In addition to the matters provided for in Article 2 of the Supplementary Provisions through the preceding Article, the transitional measures necessary for the enforcement of this Act shall be prescribed by Cabinet Order.

(Partial Revision of the Local Tax Act)
Article 9

The Local Tax Act (Act No. 226 of 1950) shall be amended in part as follows:
The terms "clause (a), (b) or (d) of item (iii) or clause (a) of item (iv)" in item 25 of paragraph 1 of Article 73-4 and item 28 of paragraph 2 of Article 348 shall be amended to "clause (a), (b) or (d) of item (iv) or clause (a) of item (v)".

(Partial Revision of the Act on Special Measures with respect to Acceptance of Foreign Capital from the International Bank for Reconstruction and Development, etc.)
Article 10

The Act on Special Measures with respect to Acceptance of Foreign Capital from the International Bank for Reconstruction and Development, etc. (Act No. 51 of 1953) shall be amended in part as follows:

Item (iii) and item (iv) of paragraph (2) of Article 2 shall be amended as follows:
(iii) The Incorporated Administrative Agency-Japan International Cooperation Agency.
(iv) Deleted.

(Partial Revision of the Japan Bank for International Cooperation Act)
Article 11

The Japan Bank for International Cooperation Act shall be amended in part as follows:
The terms "and the loans, etc. for the development of economy and society or for contributing to the stability of economy in the developing overseas areas (hereinafter referred to as the "Developing Areas")" in Article 1 shall be deleted.

Item (vii) of Article 2 shall be amended as follows:
(vii) Deleted

The terms "and paragraph (4) of Article 7" and "the total amount of" in paragraph (1) of Article 5 and the second sentence of paragraph (3) of said Article shall be deleted.

The terms "competent Minister" in paragraph (5) of Article 10 shall be amended to "Ministry of Finance".

The terms "or competent Minister" in item (i) of paragraph (2) of Article 14 shall be deleted.

Article 22 shall be amended as follows:
Article 22 Deleted.

The terms "hereinafter referred to as the "international financial operations, etc." in paragraph (1) of Article 23 shall be deleted and paragraph (2) of said Article shall be deleted.

The terms "item (i) of paragraph (1) of the preceding Article" shall amended to "item (i) of the preceding Article" and "Developing Areas" shall be amended to "developing overseas areas" in paragraph (1) of said Article, the terms "item (ii) of paragraph (1) of the preceding Article" shall be amended to "item (ii) of the preceding Article" in paragraph (2) of said Article, the terms "item (iii) of paragraph (1) of the preceding Article" shall be amended to "item (iii) of the preceding Article" in paragraph (3) of said Article, the terms "Developing Areas" shall be amended to “developing overseas areas” in item (i) of paragraph (3) of said Article, the terms “item (iv) of paragraph (1) of the preceding Article” shall be amended to “item (iv) of the preceding Article” in paragraph (4) of said Article, the terms “item (v) of paragraph (1) of the preceding Article” shall amended to “item (v) of the preceding Article” in paragraph (5) of said Article, the terms “item (vi) of paragraph (1) of the preceding Article” shall be amended to “item (vi) of the preceding Article” in paragraph (6) of said Article, the terms “item (i) of the preceding Article” shall amended to “preceding Article” in paragraph (7) of said Article, the terms “item (i) of paragraph (1) of the preceding Article” shall be amended to “item (i) of the preceding Article” in each item of said paragraph, and the terms “item (viii) of paragraph (1) of the preceding Article” shall be amended to “item (viii) of the preceding Article” and “item (i) of said paragraph” shall be amended to “item (i) of said Article” in paragraph (8) of said Article.

The terms “paragraph (1) of Article 23” shall be amended to “Article 23” in paragraph (3) of Article 25 and the terms “item (i) of paragraph (1) of Article 23” shall amended to “item (i) of Article 23” and “under the accounts pertaining to the operations in item (i) of paragraph (1) of Article 41” shall be deleted in paragraph (4) of said Article, and paragraph (5) of said Article shall be deleted.

Article 26 shall be amended as follows:
Article 26 Deleted.

The terms “Ordinance of the Ministry of Foreign Affairs / Ordinance of the Ministry of Finance” in paragraph (2) of Article 27 shall be amended to “Ordinance of the Ministry of Finance”.

The title “Delegated Operations” in Article 28 shall be amended to “Delegation and Delegated Operations”.

The terms “paragraph (8) of said Article” shall be amended to “paragraph (7) of said Article” in paragraph (2) of Article 30 and paragraph (6) of said Article shall be deleted.

Paragraph (4) of Article 34 shall be deleted.

The terms “paragraph (6)” in paragraph (2) of Article 35 and paragraph (2) of Article 36 shall be amended to “paragraph (5)”.

Paragraph (3) of Article 38, paragraph (3) of Article 39 and paragraph (5) of Article 40 shall be deleted.

Article 41 shall be amended as follows:
Article 41 Deleted.

Paragraph (6) of Article 43 shall be deleted.

The terms “of accounts on international finance, etc.” and “allocated to the accounts on international finance, etc.” in paragraph (1) of Article 44 shall be deleted, paragraph (2) and paragraph (3) of said Article shall be deleted, the terms “reserve in paragraph (1) or reserve fund in paragraph (2)” shall be amended to “reserve in the preceding paragraph” and “resulted in the accounts belong to” shall be deleted in paragraph (4) of said Article, the said paragraph shall become item (ii) of said Article, the terms “, according to each account pertaining to the operations in each item of paragraph (1) of Article 41” and “the remaining amount after subtracting the amount accumulated as reserve fund under the provisions of paragraph (2) from the amount of the surplus under the provisions of same paragraph” shall be deleted in paragraph (5) of said Article, the said paragraph shall become paragraph (3) of said Article, paragraph (6) of said Article shall become paragraph (4) of said Article, the terms “paragraph (5)” shall be amended to “paragraph (3)” in paragraph (7) of said Article, and the said paragraph shall become paragraph (5) of said Article.

Paragraph (2) of Article 45 shall be deleted, the terms “paragraph (1)” in paragraph (3) of said Article shall be amended to “preceding paragraph” in paragraph (3) of said Article, the said paragraph shall become paragraph (2) of said Article, paragraph (4) of said Article shall become paragraph (3), and paragraph (5) through paragraph (13) shall each move up by one paragraph.

The terms “(hereinafter referred to as the “Total Amount of Loans, etc.”)” shall be deleted and “the amounts listed in each of the following items shall be as prescribed respectively in those items” shall be amended to “shall be equivalent to ten (10) times the total amount of the capital prescribed in Article 5 and the reserves prescribed in paragraph (1) of Article 44”in paragraph (1) of Article 46, each item of said paragraph shall be deleted, and the terms “paragraph (1) of Article 23” shall be amended to “Article 23”,“of which is allocated to the accounts on international finance, etc.” shall be deleted and “item (i) of paragraph (1)” shall be amended to “paragraph (1)” in paragraph (3) of said Article.

The terms “item (i) of paragraph (1) of Article 8 of the Supplementary Provisions” shall be amended to “paragraph (1) of Article 8 of the Supplementary Provisions” in paragraph (1) of Article 47, the terms “paragraph (8) of Article 45” shall be amended to “paragraph (7) of Article 45” in paragraph (3) of said Article, and the terms “or the Agency Bonds as prescribed in paragraph (1) of Article 32 of the Act of the Incorporated Administrative Agency – Japan International Cooperation Agency (Act No. 136 of 2002)” shall be added following “prescribed bank bonds” and “paragraph (2) of Article 45 of said Act” shall be amended to “paragraph (2) of Article 45 of the Act on Development Bank of Japan Inc. or paragraph (2) of Article 34 of the Act of the Incorporated Administrative Agency – Japan International Cooperation Agency” in paragraph (4) of said Article.

Article 48 shall be amended as follows:
Article 48 Deleted.

The terms “competent Minister” shall be amended to “Minister of Finance” in Article 52, paragraph (1) of Article 53 and paragraph (1) and paragraph (2) of Article 53-2.

Article 55 and Article 56 shall be amended as follows:
Article 55 and Article 56 Deleted.

The terms “approval of the Minister for Foreign Affairs or” shall be deleted and “or” shall be amended to “, or” in item (i) of Article 59 and the terms “competent Minister” shall be amended to “Minister of Finance” in item (vii) of said Article.

The terms “or paragraph (1) of Article 7” shall be deleted, “loans or bonds listed in each of the following items” shall be amended to “foreign currency bonds, etc. set forth in paragraph (1) of Article 39-2 of the Former Export-Import Bank Act”, “listed in each of said items” shall be amended to “under the provisions in Article 39-2 of the Former Export-Import Bank Act or paragraph (2) of Article 2 of the Foreign Capital Acceptance Act” and “said loans or bonds” shall be amended to “said bonds” in paragraph (1) of Article 8 of the Supplementary Provisions, each item of said paragraph shall be deleted, and the term “and Overseas Economic Cooperation Fund Bonds” shall be deleted and “paragraph (9) and paragraph (10) of Article 45” shall be amended to “paragraph (8) and paragraph (9) of Article 45” in paragraph (2) of said Article.

(Partial Revision of the Act on Development Bank of Japan Inc.)
Article 12

The Act on Development Bank of Japan Inc. (Act No. 73 of 1999) shall be amended in part as follows:
The terms “or the Agency Bonds as prescribed in paragraph (1) of Article 32 of the Act of the Incorporated Administrative Agency – Japan International Cooperation Agency (Act No. 136 of 2002)” shall be added following “prescribed bank bonds” and “paragraph (2) of Article 47 of said Act” shall be amended to “paragraph (2) of Article 47 of the Japan Bank for International Cooperation Act or paragraph (2) of Article 34 of the Act of the Incorporated Administrative Agency – Japan International Cooperation Agency” in paragraph (4) of Article 45.

(Partial Revision of the Act on Special Measures for the Promotion and Development of Okinawa)
Article 13

The Act on Special Measures for the Promotion and Development of Okinawa (Act No. 14 of 2002) shall be amended in part as follows:
The terms “item (iii) of paragraph (1) of Article 13” shall be amended to “item (iv) of paragraph (1) of Article 13” in Article 87.

(Partial Revision of the Act of the Incorporated Administrative Agency-Japan International Cooperation Agency)
Article 14

The Act of the Incorporated Administrative Agency-Japan International

Cooperation Agency shall be amended in part as follows:

Add the terms "(Act No. 89 of 1896)" following "Civil Code" in paragraph (7) of Article 32.

(Partial Revision of the Act on Adjustment, etc. of the Related Acts Accompanying Enforcement of the Act on General Juridical Persons and General Foundations, and the Act on Recognition, etc. of Public Service Juridical Persons and Public Foundations)
Article 15

The Act on Adjustment, etc. of the Related Acts Accompanying Enforcement of the Act on General Juridical Persons and General Foundations, and the Act on Recognition, etc. of Public Service Juridical Persons and Public Foundations shall be amended in part as follows:

The terms "item (iii) of paragraph (1) of Article 13" in the amending provision pertaining to item (iii) of paragraph (1) of Article 13 of the Act of the Incorporated Administrative Agency-Japan International Cooperation Agency in Article 247 shall be amended to "item (iv) of paragraph (1) of Article 13"; and

The terms "paragraph (10) of Article 45" in the amending provision pertaining to paragraph (10) of Article 45 of the Japan Bank for International Cooperation Act in Article 260 shall be amended to "paragraph (9) of Article 45".

Supplementary Provisions (Act No. 50 of June 2, 2006) (excerptions)

This Act shall come into effect as of the effective date of the Act on General Incorporated Associations and General Incorporated Foundations (Editor’s Note: December 1, 2008).

Supplementary Provisions (Act No. 39 of May 2, 2011) (excerptions)

This Act shall come into effect as of the date of the promulgation. Provided, however, that the provisions of paragraph (1) of Article 5 and Article 47 and the provisions of Article 22 through Article 51 of the Supplementary Provisions shall come into effect as of April 1, 2012.

Supplementary Provisions (Act No. 74 of June 24, 2011) (excerptions)

This Act shall come into effect as of the date which is twenty (20) days after the date of the promulgation.

Supplementary Provisions (Act No. 67 of June 13, 2014)

This Act shall come into effect as of April 1, 2015.

Exhibit J

Business Year 2019

Financial Statements

Finance and Investment Account

Japan International Cooperation Agency (JICA)

Balance Sheet

(as of March 31, 2020)

Finance and Investment Account

(Unit: Yen)

Assets				
I Current assets				
Cash and deposits		180,955,826,489		
Loans	12,614,846,099,374			
Allowance for loan losses	(142,052,753,983)	12,472,793,345,391		
Advance payments		16,209,089,386		
Prepaid expenses		10,641,604		
Accrued income				
Accrued interest on loans	25,929,096,839			
Accrued commitment charges	405,875,382			
Accrued interest	44,731,372	26,379,703,593		
Accounts receivable		1,195,900,211		
Goods in transit		16,317,462		
Suspense payments		47,470,872		
Advances paid		193,614		
Short-term guarantee deposits		8,630,000,000		
Total current assets			12,706,238,488,622	
II Non-current assets				
1 Tangible assets				
Buildings	4,030,423,078			
Accumulated depreciation	(1,229,114,042)			
Accumulated impairment loss	(664,850,656)	2,136,458,380		
Structures	98,256,953			
Accumulated depreciation	(30,025,751)			
Accumulated impairment loss	(11,670,468)	56,560,734		
Machinery and equipment	199,154,780			
Accumulated depreciation	(75,487,995)			
Accumulated impairment loss	(102,287,680)	21,379,105		
Vehicles	551,924,127			
Accumulated depreciation	(265,977,287)	285,946,840		
Tools, furniture, and fixtures	779,093,874			
Accumulated depreciation	(521,720,646)	257,373,228		
Land	12,703,270,000			
Accumulated impairment loss	(6,091,196,973)	6,612,073,027		
Construction in progress		321,626		
Total tangible assets		9,370,112,940		
2 Intangible assets				
Trademark rights		223,818		
Software		5,299,618,858		
Software in progress		355,029,191		
Total intangible assets		5,654,871,867		
3 Investments and other assets				
Investment securities		3,875,388,472		
Shares of affiliated companies		46,732,120,903		
Money held in trust		52,912,364,816		
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239			
Allowance for loan losses	(87,062,884,239)	0		
Long-term prepaid expenses		1,311,036		
Long-term guarantee deposits		679,312,894		
Total investments and other assets		104,200,498,121		
Total non-current assets			119,225,482,928	
Total assets				12,825,463,971,550

Liabilities				
I Current liabilities				
Current portion of borrowings from government fund for Fiscal Investment and Loan Program		106,613,302,000		
Accounts payable		8,424,523,601		
Accrued expenses		5,779,381,916		
Derivatives		11,632,988,540		
Lease obligations		147,443,564		
Deposits received		11,615,308,071		
Unearned revenue		2,643,574		
Provisions				
Provision for bonuses	336,838,488			
Provision for contingent losses	2,042,877,932	2,379,716,420		
Suspense receipts		359,190,096		
Total current liabilities			146,954,497,782	
II Non-current liabilities				
Bonds		791,079,300,000		
Discounts on bonds payable		(340,991,560)		
Borrowings from government fund for Fiscal Investment and Loan Program		1,962,569,056,000		
Long-term lease obligations		39,817,171		
Long-term deposits received		5,586,963,087		
Provision for retirement benefits		4,225,651,668		
Asset retirement obligations		70,374,150		
Total non-current liabilities			2,763,230,170,516	
Total liabilities				2,910,184,668,298
Net assets				
I Capital				
Government investment		8,150,727,840,510		
Total capital			8,150,727,840,510	
II Retained earnings				
Reserve fund		1,703,880,995,457		
Unappropriated income for the current business year		95,644,581,991		
[Total income for the current business year]		[95,644,581,991]		
Total retained earnings			1,799,525,577,448	
III Valuation and translation adjustments				
Valuation difference on available-for-sale securities		6,492,694,355		
Deferred gains or losses on hedges		(41,466,809,061)		
Total valuation and translation adjustments			(34,974,114,706)	
Total net assets				9,915,279,303,252
Total liabilities and net assets				12,825,463,971,550

Statement of Administrative Service Operation Cost

(April 1, 2019–March 31, 2020)

Finance and Investment Account

(Unit: Yen)

I Expenses in the statement of income		
Expenses related to operations of cooperation through finance and investment	86,836,506,649	
Extraordinary losses	8,736,371	
Total expenses in the statement of income		86,845,243,020
II Administrative service operation cost		86,845,243,020

Statement of Income

(April 1, 2019–March 31, 2020)

Finance and Investment Account

(Unit: Yen)

Ordinary expenses			
Expenses related to operations of cooperation through finance and investment			
Interest on bonds and notes	9,515,197,208		
Interest on borrowings	21,707,037,722		
Interest on interest rate swaps	6,221,717,774		
Other interest expenses	723,257		
Operations outsourcing expenses	29,137,663,373		
Bond issuance cost	361,143,401		
Personnel expenses	4,169,865,831		
Provision for bonuses	336,838,488		
Retirement benefit expenses	432,554,856		
Operating and administrative expenses	12,295,523,154		
Depreciation	1,725,715,015		
Taxes	95,043,215		
Other operating expenses	837,483,355	86,836,506,649	
Total ordinary expenses			86,836,506,649
Ordinary revenues			
Revenues from operations of cooperation through finance and investment			
Interest on loans	131,739,115,244		
Interest on bonds	47,943		
Dividends on investments	15,851,572,120		
Commissions	2,589,758,586		
Foreign exchange gains	1,311,196,125		
Gain on valuation of investment securities	11,097,174		
Gain on sales of investment securities	2,004,913,517		
Gain on valuation of shares of affiliated companies	15,961,319		
Gain on investment in money held in trust	199,123,265		
Reversal of provision for allowance for loan losses	19,921,761,980		
Reversal of provision for allowance for contingent losses	7,242,738,843		
Other ordinary revenues	17,089,890	180,904,376,006	
Financial revenues			
Interest income	686,901,158	686,901,158	
Miscellaneous income		875,333,659	
Recoveries of written-off claims		19,878,116	
Total ordinary revenues			182,486,488,939
Ordinary income			95,649,982,290
Extraordinary losses			
Loss on disposal of non-current assets		8,281,721	
Loss on sales of non-current assets		454,650	8,736,371
Extraordinary income			
Gain on sales of non-current assets		3,336,072	3,336,072
Net income			95,644,581,991
Total income for the current business year			95,644,581,991

Statement of Changes in Net Assets

(April 1, 2019-March 31, 2020)

Finance and Investment Account (Unit:Yen)

	I Capital		II Retained earnings(Loss carried forward)				III Valuation and translation adjustments			
	Government investment	Total capital	Reserve fund	Unappropriated income for the current business year (Unappropriated loss for the current business year)	Total income for the current business year (Total loss for the current business year)	Total retained earnings (loss carried forward)	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	Total net assets
Balance at the beginning of the business year	8,083,417,840,510	8,083,417,840,510	1,626,109,623,623	77,771,371,834	77,771,371,834	1,703,880,995,457	3,390,920,585	(47,360,281,584)	(43,969,360,999)	9,743,329,474,968
Changes during the period										
I Changes in capital during the period										
Receipts of investment	67,310,000,000	67,310,000,000								67,310,000,000
II Changes in retained earnings (loss carried forward) during the period										
(1) Appropriation of income or loss										
Increase in reserve fund derived from profit appropriation			77,771,371,834	(77,771,371,834)	(77,771,371,834)	-				-
(2) Others										
Net income (Net loss)				95,644,581,991	95,644,581,991	95,644,581,991				95,644,581,991
III Changes in valuation and translation adjustments during the period							3,101,773,770	5,893,472,523	8,995,246,293	8,995,246,293
Total changes during the period	67,310,000,000	67,310,000,000	77,771,371,834	17,873,210,157	17,873,210,157	95,644,581,991	3,101,773,770	5,893,472,523	8,995,246,293	171,949,828,284
Balance at the end of the business year	8,150,727,840,510	8,150,727,840,510	1,703,880,995,457	95,644,581,991	95,644,581,991	1,799,525,577,448	6,492,694,355	(41,466,809,061)	(34,974,114,706)	9,915,279,303,252

Statement of Cash Flows

(April 1, 2019–March 31, 2020)

Finance and Investment Account

(Unit: Yen)

I. Cash flows from operating activities	
Payments for loans	(1,090,516,473,654)
Repayments of borrowings from the private sector	(33,361,189,500)
Repayments of borrowings from government fund for Fiscal Investment and Loan Program	(200,151,638,000)
Redemption of bonds	(67,305,000,000)
Interest expenses paid	(35,405,619,880)
Payments for personnel expenses	(4,888,660,033)
Payments for other operations	(58,611,500,090)
Proceeds from collection of loans	779,398,164,191
Proceeds from borrowings from the private sector	33,344,089,600
Proceeds from borrowings from government fund for Fiscal Investment and Loan Program	231,900,000,000
Proceeds from issuance of bonds	59,638,856,599
Proceeds from interest on loans	128,416,287,016
Proceeds from commissions	2,345,530,035
Proceeds from other operations	37,629,700,025
Subtotal	(217,567,453,691)
Interest and dividend income received	16,767,558,124
Net cash used in operating activities	(200,799,895,567)
II. Cash flows from investing activities	
Payments for purchase of non-current assets	(1,570,214,425)
Proceeds from sales of non-current assets	10,080,691
Payments for purchase of investment securities	(2,037,700,549)
Proceeds from sales and redemption of investment securities	4,213,505,817
Payments for purchase of shares of affiliated companies	(2,673,662,500)
Payments for increase of money held in trust	(8,104,730,697)
Proceeds from decrease of money held in trust	1,328,350,000
Payments into time deposits	(82,220,115,000)
Proceeds from time deposit refund	95,638,625,000
Payments for purchase of negotiable deposits	(20,000,000,000)
Proceeds from refund of negotiable deposits	20,000,000,000
Net cash provided by investing activities	4,584,138,337
III. Cash flows from financing activities	
Repayments of lease obligations	(153,960,574)
Receipts of government investment	67,310,000,000
Net cash provided by financing activities	67,156,039,426
IV. Effect of exchange rate fluctuation on funds	68,329
V. Net increase (decrease) in funds	(129,059,649,475)
VI. Funds at the beginning of the business year	304,617,625,964
VII. Funds at the end of the business year	175,557,976,489

Basis of Presenting Financial Statements

The accompanying financial statements of JICA have been prepared in accordance with accounting standards for incorporated administrative agencies generally accepted in Japan, which are different in many respects as to application and disclosure requirements of accounting standards for business enterprises generally accepted in Japan.

Significant Accounting Policies

Finance and Investment Account

Effective the year ended March 31, 2020, JICA adopted the "Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies" (February 16, 2000 (Revised September 3, 2018), and the "Q&A on Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies" (August 2000 (Last revised March 2019)).

1. **Depreciation method**

(1) Tangible assets (except for lease assets)

Straight-line method

The useful lives of major assets are as follows:

Buildings:	2-50 years
Structures:	2-46 years
Machinery and equipment:	2-17 years
Vehicles:	2-6 years
Tools, furniture, and fixtures:	2-15 years

(2) Intangible assets (except for lease assets)

Straight-line method

Software used by JICA is depreciated over its useful life (5 years).

(3) Lease assets

Lease assets are depreciated by the straight-line method over the lease term. Depreciation for lease assets is calculated with zero residual value being assigned to the asset.

2. **Provision for bonuses**

The provision for bonuses is calculated and provided for based on estimated amounts of future payments attributable to the services that have been rendered by officers and employees applicable to the current business year.

3. **Provision for retirement benefits**

The provision for retirement benefits is calculated and provided for based on estimated amounts of future payments attributable to the retirement of employees, and is accrued in line with the retirement benefit obligations and estimated plan assets applicable to the business year ended March 31, 2020. In calculating the retirement benefit obligations, the estimated amount of retirement benefit payments is attributed to the period based on the straight-line basis. The profit and loss appropriation method for actuarial differences and past service costs is as follows:

Actuarial differences are recognized as a lump-sum gain or loss in the business year in which they occur.

Past service costs are recognized as a lump-sum gain or loss in the business year in which they occur.

4. Basis and standard for the accrual of allowance and loss contingencies

(1) Allowance for loan losses

The allowance for claims on debtors who are legally bankrupt (“Bankrupt borrowers”) or substantially bankrupt (“Substantially bankrupt borrowers”) is provided based on the outstanding balance of loan claims after the deductions of the amount expected to be collected through the disposal of collateral and execution of guarantees, or the same amount is written off directly. The allowance for claims on debtors who are not legally bankrupt, but are likely to become bankrupt (“Potentially bankrupt borrowers”) is provided based on an overall assessment of the solvency of the debtors after the deductions of the amount expected to be collected through the disposal of collateral and the execution of guarantees, or the same amount is written off directly. There were no write-offs from the above-mentioned outstanding balance of loan claims for the business year ended March 31, 2020.

The allowance for claims on debtors other than Bankrupt borrowers, Substantially bankrupt borrowers, and Potentially bankrupt borrowers is provided primarily based on the default rate, which is calculated based on the actual defaults during a certain period in the past. The allowance for possible losses on specific overseas loans is provided based on the expected loss amount taking into consideration the political and economic situation of these countries.

All claims are assessed initially by the operational departments (including regional departments) based on internal rules for self-assessment of asset quality. Internal audit department, which is independent from the operational departments, reviews these self-assessments, and an allowance is provided based on the results of the assessments.

(2) Provision for contingent losses

Provision for contingent losses is provided to prepare for the occurrence of contingent losses for a portion of the undisbursed balance of loan commitments, which JICA is absolutely obligated to extend. The amount of the provision is estimated based on the possibility of losses in the future.

(Changes in Accounting Estimates)

Formerly, allowance for loan losses and provision for contingent losses for Normal assets, Watch assets, and Special attention assets of sovereign debtors were estimated based on the former internal credit rating system. Starting this business year, allowance for loan losses and provision for contingent losses are estimated based on the current internal credit rating system which is more precise than the former rating system. In addition, expected loss periods have been changed from predetermined periods for Normal assets, Watch assets, and Special attention assets to average periods for each claim.

Due to these updates, the amount of allowance for loan losses decreased by ¥34,246 million and allowance for contingent losses decreased by ¥6,129 million, and ordinary income and net income increased by ¥40,376 million, respectively, as of and for the year ended March 31, 2020.

5. Standard and method for the valuation of securities

(1) Shares of affiliated companies

Shares of affiliated companies are stated at cost, determined using the moving-average method.

However, when the amount corresponding to the equity holding has fallen below the cost at acquisition, the amount corresponding to the equity holding is used.

(2) Other investment securities

[1] Securities whose fair value can be readily determined

Such investment securities are stated at fair value.

[2] Securities whose fair value cannot be readily determined

Such investment securities are carried at cost based on the moving average method.

Investments in limited partnerships and other similar partnerships, which are regarded as securities under Article 2, Clause 2 of the Japanese Financial Instruments and Exchange Law, Act No. 25 of 1948, are recognized at an amount equivalent to JICA's percentage share of the net assets of such partnerships, based upon the most recent financial statements available depending on the report date stipulated in the partnership agreement.

(3) Securities held as trust assets in money-held-in trust account

The securities are valued in the same way as (2) above.

6. Standard and method for the valuation of derivative transactions

All derivative financial instruments are carried at fair value.

7. Method for amortization of discount on bonds payable

Discount on bonds payable is amortized over the duration of the bonds.

8. Translation standard for foreign currency-denominated assets and liabilities into yen

Foreign currency money claims and liabilities are translated into Japanese yen mainly at the spot exchange rate at the balance sheet date. Exchange differences are recognized as profit or loss.

9. Method of hedge accounting

(1) Method of hedge accounting

Interest rate swaps are accounted for using the deferral hedge accounting method or the exceptional accrual method. Currency swaps are accounted for by the assignment method.

(2) Hedging instruments and hedged items

[1] Hedging instruments...Interest rate swaps

Hedged items...Loans and foreign currency bonds

[2] Hedging instruments...Currency swaps

Hedged items...Foreign currency loans and foreign currency bonds

(3) Hedging policy

JICA enters into interest rate swaps or currency swaps for the purpose of hedging interest rate or currency fluctuation risks.

(4) Method of evaluation of hedge effectiveness

Hedges that offset market fluctuations of loans are assessed based on discrepancies with regard to maturity and notional principal and others between hedged loans and hedging instruments.

As for interest rate swaps that satisfy the requirements of the exceptional accrual method and currency swaps that satisfy the requirements of the assignment method, JICA is not required to periodically evaluate hedge effectiveness.

10. Accounting treatment for consumption taxes

Consumption taxes and local consumption taxes are included in transaction amounts.

Notes to the financial statements
Finance and Investment Account

(Balance Sheet)

1. Joint obligations

JICA is jointly liable for obligations arising from the following bonds issued by the former Japan Bank for International Cooperation which was succeeded by the Japan Bank for International Cooperation:

Fiscal Investment and Loan Program (FILP) Agency Bonds ¥40,000,000,000

2. Financial assets received as collateral

The fair value of financial assets received as collateral at JICA's disposal was ¥8,567,223,535.

3. Undisbursed balance of loan commitments

Most of JICA's loans are long term. Ordinarily, when receiving a request for disbursement of a loan from a borrower, corresponding to the intended use of funds as stipulated by the loan agreement, and upon confirming the fulfillment of conditions prescribed under the loan agreement, JICA promises to loan a certain amount of funds within a certain range of the amount required by the borrower, with an outstanding balance within the limit of loan commitments. The undisbursed balance of loan commitments as of March 31, 2020 was ¥7,164,167,683,508.

(Statement of Administrative Service Operation Cost)

1. Cost being borne by the public for the operation of Incorporated Administrative Agency

Administrative service operation cost	¥86,845,243,020
Self-revenues, etc.	¥ (182,489,825,011)
Opportunity cost	¥ 410,568,064
Cost being borne by the public for the operation of Incorporated Administrative Agency	¥ (95,234,013,927)

2. Method for computing opportunity cost

(1) Interest rate used to compute opportunity cost concerning government investment

0.005% with reference to the yield of 10-year fixed-rate Japanese government bonds at March 31, 2020.

(2) Method for computing opportunity cost for public officers temporarily transferred to JICA

Of the estimated increase in retirement allowance during service rendered in JICA, costs are calculated in accordance with JICA's internal rules.

(Statement of Income)

Recoveries of written-off claims include the amount recovered in excess of book value of the loans transferred to JICA on October 1, 2008, that are associated with the Overseas Economic Cooperation Account of the former Japan Bank for International Cooperation.

(Statement of Cash Flows)

The funds shown in the statement of cash flows are deposit accounts and checking accounts.

1. Breakdown of balance sheet items and ending balance of funds

(as of March 31, 2020)

Cash and deposits	¥180,955,826,489
Time deposits	¥ (5,397,850,000)
Ending balance of funds	¥175,557,976,489

2. Description of significant non-cash transactions

Assets acquired under finance leases

Tools, furniture, and fixtures	¥7,800,004

(Financial instruments)

1. Status of financial instruments

(1) Policy regarding financial instruments

The Finance and Investment Account undertakes financial cooperation operations by providing debt and equity financing. In undertaking these operations, it raises funds by borrowing from the Japanese Government under the FILP, borrowing from financial institutions, issuing bonds, and receiving capital investment from the Japanese Government. From the perspective of asset-liability management (ALM), derivative transactions are entered into for mitigating the adverse impact caused by interest rate and foreign exchange fluctuations.

(2) Details of financial instruments and related risks

The financial assets held in the Finance and Investment Account are loans mainly to the Developing Area, and are exposed to credit risk attributed to defaults by its borrowers and interest rate risk. Securities, investment securities, shares of affiliated companies and money held in trust are held for policy-oriented purposes, and are exposed to credit risk of issuers and others, interest rate risk, and market price volatility risk.

Borrowings and bonds are exposed to liquidity risk as their payments or repayments cannot be duly serviced in such a situation where the account is unable to have access to markets for certain reasons.

In addition to the above, foreign currency claims and liabilities are exposed to foreign exchange fluctuation risk.

(3) Risk management system for financial instruments

[1] Credit risk management

The Finance and Investment Account has established and operates a system for credit management. This system encompasses credit appraisal, credit limit setting, credit information monitoring, internal rating, guarantee and collateral setting, problem loan management, etc., in accordance with integrated risk management rules and various credit risk-monitoring rules. This credit management is carried out by the operational departments (including region department), in addition to the Credit Risk Analysis and Environmental Review Department and General Affairs Department. Additionally, the Risk Management Committee of the Finance and

Investment Account and Board Meeting convene on a regular basis for the purpose of deliberating or reporting. Moreover, the Office of Audit monitors the status of credit management.

The credit risks of issuers of investment securities and shares of affiliated companies and trustees of money held in trust are monitored by the Private Sector Partnership and Finance Department, which regularly confirms their credit information, etc.

Counterparty risk in derivative transactions is monitored by regularly confirming the exposure and credit standing of counterparties and by securing collateral as necessary.

[2] Market risk management

(i) Interest rate risk management

Interest rates are determined in accordance with the methods prescribed by laws or statements of operational procedures. Interest rate swap transactions are conducted to hedge against the risk of interest rate fluctuations in light of their possible adverse impact.

(ii) Foreign exchange risk management

Foreign currency claims and liabilities are exposed to foreign exchange fluctuation risk; as such, foreign currency claims are funded by foreign currency liabilities, and currency swaps and other approaches are employed to avert or reduce foreign exchange risk.

(iii) Price volatility risk management

Stocks and other securities that are held for policy-oriented purposes are monitored for changes in value affected by the market environment or financial condition of the companies, exchange rates, and other factors.

This information is reported on a regular basis to the Risk Management Committee of the Finance and Investment Account and Board Meeting.

[3] Liquidity risk management related to fund raising

The Finance and Investment Account prepares a funding plan and executes fund raising based on the government-affiliated agencies' budgets, as resolved by the National Diet of Japan.

[4] Derivative transaction management

Pursuant to rules concerning swaps, derivative transactions are implemented and managed by separating the sections related to execution of transactions, assessment of hedge effectiveness, and logistics management based on a mechanism with an established internal system of checks and balances.

2. Fair value of financial instruments

Balance sheet amount, fair value, and difference at the balance sheet date are as follows:

(Unit: Yen)

	Balance sheet amount	Fair value	Difference
(1) Loans	12,614,846,099,374		
Allowance for loan losses	(142,052,753,983)		
	12,472,793,345,391	13,206,709,334,101	733,915,988,710
(2) Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239		
Allowance for loan losses	(87,062,884,239)		
	-	-	-
(3) Borrowings from government fund for FILP (including borrowings due within one year)	(2,069,182,358,000)	(2,126,303,780,151)	(57,121,422,151)
(4) Bonds	(791,079,300,000)	(842,885,764,083)	(51,776,464,083)
(5) Derivative transactions			
Derivative transactions not qualifying for hedge accounting	(492,654,198)	(492,654,198)	-
Derivative transactions qualifying for hedge accounting	(11,140,334,342)	(11,140,334,342)	-
	(11,632,988,540)	(11,632,988,540)	-

* Liabilities are shown in parentheses ( ).

(Note 1) Method for calculating fair values of financial instruments

[1] Loans

The fair values of loans with floating interest rates are calculated at their book values, as policy interest rates (bank rates) are immediately reflected in their floating interest rates, and therefore, fair value approximates book value. On the other hand, fair values of loans with fixed interest rates are calculated by discounting the total amount of the principal and interest using a rate that combines a risk-free rate with the respective borrowers' credit risk. As for hedged loans for which the assignment method is applied, the fair value of such currency swaps is applied.

[2] Claims probable in bankruptcy, claims probable in rehabilitation, and other

Regarding claims probable in bankruptcy, claims probable in rehabilitation, and other, the estimated uncollectible amount is calculated based on the expected recoverable amount through collateral and guarantees. Therefore, fair value approximates the balance sheet amount, less the current estimated uncollectible amount, and hence is calculated accordingly.

[3] Borrowings from government fund for FILP (including borrowings due within one year)

The fair value of borrowings from government fund for FILP (including borrowings due within one year) is calculated by discounting the total amount of principal and interest using interest rates expected to be applied to new borrowings for the same total amount.

[4] Bonds

The fair value of bonds is determined using market observable prices if available. For bonds without market observable prices, the fair values are calculated by discounting contractual cash flows at the risk free rate. As for hedged bonds for which the exceptional accrual method and assignment method are applied, the fair value of such interest rate swaps and currency swaps is applied.

[5] Derivative transactions

Derivative transactions are interest rate-related transactions (interest rate swaps), and fair values are based on discounted present values. Interest rate swaps for which the exceptional accrual method is applied and currency swaps for which the assignment method is applied are accounted for together with the corresponding loan or bond. The fair value of these hedging instruments is included in the fair value of the underlying loans or bonds.

(Note 2) The following are financial instruments whose fair values are deemed to be extremely difficult to determine. They are not included in the fair value information of financial instruments.

(Unit: Yen)

	Balance sheet amount
Investment securities *1	3,875,388,472
Shares of affiliated companies *1	46,732,120,903
Money held in trust *2	52,912,364,816
Undisbursed balance of loan commitments *3	0

*1 These financial instruments have no market prices, and the calculation of their fair values is deemed to be impractical.

*2 The money held in trust is composed of the assets in the trust for which it is difficult to determine the fair value.

*3 The fair values of the undisbursed balances of loan commitments are deemed to be extremely difficult to determine. The main reason is the difficulty of reasonably estimating future extensions of loans, because of the extremely diverse range of implementation formats for projects in the Developing Area where these loans are provided.

(**Money held in trust)**

1. Money held in trust for the purpose of investment

   Not applicable.

2. Money held in trust for the purpose of investment and held-to-maturity

   Not applicable.

3. Other (other than for the purpose of investment and held-to-maturity)

(Unit: Yen)

	Balance sheet amount	Acquisition cost	Difference	The amount by which the balance sheet amount exceeds the acquisition cost	The amount by which the balance sheet amount does not exceed the acquisition cost
Money held in trust for others	52,912,364,816	47,185,820,938	5,726,543,878	5,726,543,878	0

(Note) "The amount by which the balance sheet amount exceeds the acquisition cost" and "The amount by which the balance sheet amount does not exceed the acquisition cost" are the breakdown of "Difference".

(Retirement benefits)

1. Overview of retirement benefit plans

To provide retirement benefits for employees, JICA has a defined benefit pension plan comprised of a defined benefit corporate pension plan and a lump-sum severance indemnity plan, and a defined contribution plan comprised of a defined contribution pension plan.

2. Defined benefit pension plan

(1) The changes in the retirement benefit obligation are as follows:

(Unit: Yen)

Retirement benefit obligation at the beginning of the business year	6,531,930,426
Current service cost	269,860,588
Interest cost	33,713,620
Actuarial differences	15,731,896
Retirement benefit paid	(372,314,993)
Past service cost	0
Contribution by employees	16,505,734
Retirement benefit obligation at the end of the business year	6,495,427,271

(2) The changes in the plan assets are as follows:

(Unit: Yen)

Plan assets at the beginning of the business year	2,338,502,047
Expected return on plan assets	46,770,041
Actuarial differences	(147,480,271)
Contribution by the company	110,490,092
Retirement benefit paid	(95,012,040)
Contribution by employees	16,505,734
Plan assets at the end of the business year	2,269,775,603

(3) Reconciliation of the retirement benefit obligations and plan assets and provision for retirement benefits and prepaid pension expenses in the balance sheets

(Unit: Yen)

Funded retirement benefit obligation	2,840,012,138
Plan assets	(2,269,775,603)
Unfunded benefit obligations of funded pension plan	570,236,535
Unfunded benefit obligations of unfunded pension plan	3,655,415,133
Subtotal	4,225,651,668
Unrecognized actuarial differences	0
Unrecognized past service cost	0
Net amount of assets and liabilities in the balance sheets	4,225,651,668
Provision for retirement benefits	4,225,651,668
Prepaid pension expenses	0
Net amount of assets and liabilities in the balance sheets	4,225,651,668

(4) Components of retirement benefit expenses

(Unit: Yen)

Current service cost	269,860,588
Interest cost	33,713,620
Expected return on plan assets	(46,770,041)
Realized actuarial differences	163,212,167
Amortization of past service cost	0
Extraordinary additional retirement payments	0
Total	420,016,334

(5) Major components of plan assets

Percentages of components to the total are as follows:

Bonds	38%
Stocks	32%
General account of life insurance company	20%
Others	10%
Total	100%

(6) Method of determining the long-term expected rate of return on plan assets

The long-term expected rate of return on plan assets is determined based on components of plan assets, its performance and market condition, etc.

(7) Assumptions used

Principal assumptions used in actuarial calculations at the end of the business year

Discount rate	Defined benefit corporate pension plan	0.23%
	Retirement benefits	0.74%
Long-term expected rate of return on plan assets		2.00%

3. Defined contribution plan

The amount of contribution required to be made to the defined contribution plan is ¥12,538,522.

(Lease transactions)

Future minimum lease payments related to operating lease transactions

Future minimum lease payments due within one year of the balance sheet date	¥377,505
Future minimum lease payments corresponding to periods more than one year from the balance sheet date	¥129,367

(Asset retirement obligations)

JICA has a building lease agreement for its head office building, and has an obligation to restore the building to its original state at the termination of the lease period. Therefore, the asset retirement obligations have been recorded. The estimate for the asset retirement obligations assumes a five-year lease period for the projected period of use and a discount rate of 0.529%.

The balance of the asset retirement obligations at the end of the current business year was ¥70,374,150.

(Profit and loss under the equity method)

JICA does not have any specific affiliated companies and, as such, does not prepare consolidated financial statements. However, profit or loss under the equity method related to affiliated companies is as follows:

Investment amount in affiliated companies	¥46,732,120,903
Investment amount when applying the equity method	¥74,623,313,236
Valuation gain on investments when applying the equity method	¥19,613,376,621

(Additional information)

Allowance for loan losses of ¥229,116 million and provision for contingent losses of ¥2,043 million were estimated based on the circumstances of each debtor and based on the assumption that the spread of COVID-19 will slow and prevention measures will be gradually lifted, resulting in an economic recovery toward the end of 2020. These assumptions are consistent with the baseline scenario of the World Economic Outlook (WEO) announced by the International Monetary Fund (IMF) in April 2020. Since the situation related to COVID-19 is expected to remain highly uncertain worldwide, JICA may need to increase the allowance for loan losses and provision for contingent losses in subsequent business years if, for example, the debtors' credit rating deteriorates beyond current expectations over the medium to long term.

(Significant contractual liabilities)

Contract liabilities JICA is obliged to pay during the next business year and thereafter are ¥9,889,143,608.

(Significant subsequent events)

Appropriation of profit was approved as follows on May 29, 2020:

(Unit: Yen)

I.	Unappropriated income for the current business year		95,644,581,991
	Total income for the current business year	95,644,581,991	
II.	Profit appropriation amount		
	Reserve fund	95,644,581,991	95,644,581,991

The Accompanying Supplementary Schedules

Finance and Investment Account

(1) Details of acquisition and disposal of non-current assets, depreciation, and accumulated impairment loss

(Unit：Yen)

Type		Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Accumulated depreciation		Accumulated impairment loss		Net assets at the end of the period	Remarks
							Depreciation during the period		Impairment loss during the period		
Tangible assets (Depreciation included in expenses)	Buildings	3,826,863,952	216,780,563	13,221,437	4,030,423,078	1,229,114,042	110,354,946	664,850,656	0	2,136,458,380	
	Structures	96,276,953	1,980,000	0	98,256,953	30,025,751	5,206,372	11,670,468	0	56,560,734	
	Machinery and equipment	198,236,887	1,684,515	766,622	199,154,780	75,487,995	3,726,667	102,287,680	0	21,379,105	
	Vehicles	497,346,429	83,272,331	28,694,633	551,924,127	265,977,287	57,521,553	0	0	285,946,840	
	Tools, furniture, and fixtures	791,126,991	18,826,982	30,860,099	779,093,874	521,720,646	165,731,330	0	0	257,373,228	
	Total	5,409,851,212	322,544,391	73,542,791	5,658,852,812	2,122,325,721	342,540,868	778,808,804	0	2,757,718,287	
Tangible assets (Non-depreciable assets)	Land	12,703,270,000	0	0	12,703,270,000	0	0	6,091,196,973	0	6,612,073,027	
	Construction in progress	31,056,281	18,974,749	49,709,404	321,626	0	0	0	0	321,626	
	Total	12,734,326,281	18,974,749	49,709,404	12,703,591,626	0	0	6,091,196,973	0	6,612,394,653	
Total tangible assets	Buildings	3,826,863,952	216,780,563	13,221,437	4,030,423,078	1,229,114,042	110,354,946	664,850,656	0	2,136,458,380	
	Structures	96,276,953	1,980,000	0	98,256,953	30,025,751	5,206,372	11,670,468	0	56,560,734	
	Machinery and equipment	198,236,887	1,684,515	766,622	199,154,780	75,487,995	3,726,667	102,287,680	0	21,379,105	
	Vehicles	497,346,429	83,272,331	28,694,633	551,924,127	265,977,287	57,521,553	0	0	285,946,840	
	Tools, furniture, and fixtures	791,126,991	18,826,982	30,860,099	779,093,874	521,720,646	165,731,330	0	0	257,373,228	
	Land	12,703,270,000	0	0	12,703,270,000	0	0	6,091,196,973	0	6,612,073,027	
	Construction in progress	31,056,281	18,974,749	49,709,404	321,626	0	0	0	0	321,626	
	Total	18,144,177,493	341,519,140	123,252,195	18,362,444,438	2,122,325,721	342,540,868	6,870,005,777	0	9,370,112,940	
Intangible assets (Depreciation included in expenses)	Trademark rights	731,316	0	0	731,316	507,498	76,363	0	0	223,818	
	Software	6,175,867,134	1,776,075,734	991,062	7,950,951,806	2,651,332,948	1,383,097,784	0	0	5,299,618,858	
	Total	6,176,598,450	1,776,075,734	991,062	7,951,683,122	2,651,840,446	1,383,174,147	0	0	5,299,842,676	
Intangible assets (Non-depreciable assets)	Software in progress	850,163,665	463,340,929	958,475,403	355,029,191	0	0	0	0	355,029,191	
	Total	850,163,665	463,340,929	958,475,403	355,029,191	0	0	0	0	355,029,191	
Total intangible assets	Trademark rights	731,316	0	0	731,316	507,498	76,363	0	0	223,818	
	Software	6,175,867,134	1,776,075,734	991,062	7,950,951,806	2,651,332,948	1,383,097,784	0	0	5,299,618,858	
	Software in progress	850,163,665	463,340,929	958,475,403	355,029,191	0	0	0	0	355,029,191	
	Total	7,026,762,115	2,239,416,663	959,466,465	8,306,712,313	2,651,840,446	1,383,174,147	0	0	5,654,871,867	
Investments and other assets	Investment securities	6,032,684,551	2,071,126,336	4,228,422,415	3,875,388,472	0	0	0	0	3,875,388,472	
	Shares of affiliated companies	44,100,488,390	2,931,632,513	300,000,000	46,732,120,903	0	0	0	0	46,732,120,903	
	Money held in trust	40,809,126,607	13,288,031,390	1,184,793,181	52,912,364,816	0	0	0	0	52,912,364,816	
	Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239	0	0	87,062,884,239	0	0	0	0	87,062,884,239	
	Allowance for loan losses (non-current)	(83,193,460,691)	(3,869,423,548)	0	(87,062,884,239)	0	0	0	0	(87,062,884,239)	
	Long-term prepaid expenses	5,048,373	1,830,036	5,567,373	1,311,036	0	0	0	0	1,311,036	
	Long-term guarantee deposits	633,428,168	58,091,897	12,207,171	679,312,894	0	0	0	0	679,312,894	
	Total	95,450,199,637	14,481,288,624	5,730,990,140	104,200,498,121	0	0	0	0	104,200,498,121	

(2) Details of securities

Securities recorded under investments and other assets

(Unit：Yen)

	Name	Acquisition cost	Value obtained by multiplying the net asset value by the percentage of shareholding	Balance sheet amount	Valuation difference recognized in the statement of income of the period	Remarks	
Shares of affiliated companies	Sumatra Pulp Corporation	2,758,289,455	1	1	0		
	Japan Saudi Arabia Methanol Co., Inc.	7,149,297,104	20,076,889,043	7,149,297,104	0		
	SPDC Ltd.	7,269,880,619	22,087,631,977	7,269,880,619	0		
	KAFCO Japan Investment Co., Ltd.	2,436,204,983	2,562,150,020	2,436,204,983	0		
	Nippon Amazon Aluminum Co., Ltd.	25,066,535,300	24,032,293,874	24,032,293,874	84,189,518		
	JAPAN ASEAN Women Empowerment Fund	5,126,773,000	5,146,676,999	5,126,773,000	(34,586,569)		
	Ship Aichi Medical Service Limited	748,809,600	717,671,322	717,671,322	(31,138,278)		
	Total	50,555,790,061	74,623,313,236	46,732,120,903	18,464,671		
Other investment securities	Type and name	Acquisition cost	Fair value	Balance sheet amount	Valuation difference recognized in the statement of income of the period	Valuation difference on available-for-sale securities	Remarks
	Prototype Carbon Fund	1	-	1	0	0	
	The First MicroFinanceBank Ltd.	218,880,000	-	156,904,800	0	(61,975,200)	
	Myanmar Japan Thilawa Development Ltd.	321,372,900	-	291,483,900	0	(29,889,000)	
	Gojo & Company, Inc.	999,997,307	-	999,997,307	0	0	
	WASSHA Inc.	300,000,000	-	29,203,406	(2,503,352)	0	
	MGM Sustainable Energy Fund L.P.	943,072,184	-	949,842,715	38,337,776	(31,567,245)	
	Asia Climate Partners LP	704,126,307	-	429,142,893	(243,409,295)	(31,574,119)	
	IFC Middle East and North Africa Fund, LP	151,990,521	-	407,991,168	262,239,297	(6,238,650)	
	MGM Sustainable Energy Fund ⅡL.P.	650,195,861	-	593,114,723	(46,070,604)	(11,010,534)	
	I&P Afrique Entrepreneurs ⅡLP	17,869,573	-	17,707,559	0	(162,014)	
	Total	4,307,504,654	-	3,875,388,472	8,593,822	(172,416,762)	
Total balance sheet amount				50,607,509,375		(172,416,762)	

*Acquisition cost of other securities related to the investment to investment limited partnership and other equivalent funds includes the amount equivalent to JICA's percentage share of the accumulated profit/loss amount for the previous term

*WASSHA Inc. is classified from "Shares of affiliated companies" to "Other investment securities" during the period.

(3) Details of loans

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period		Balance at the end of the period	Remarks
			Collection, etc.	Write-off		
Loans	12,300,293,753,275	1,097,084,894,053	782,532,547,954	0	12,614,846,099,374	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239	0	0	0	87,062,884,239	
Total	12,387,356,637,514	1,097,084,894,053	782,532,547,954	0	12,701,908,983,613	

(4) Details of borrowings

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Average interest rate (%)	Maturity date	Remarks
Borrowings from government fund for Fiscal Investment and Loan Program	2,037,433,996,000	231,900,000,000	200,151,638,000	2,069,182,358,000 (106,613,302,000)	0.566	June 2020- January 2060	

* Figures in parentheses() indicate the amount of borrowings repayable within one year.

(5) Details of bonds

(Unit: Yen)

Security name	Balance at the beginning of the period	Increase during the period	Decrease during the period	Translation Adjustments	Balance at the end of the period	Coupon (%)	Maturity date	Remarks
FILP Agency Bonds								
FILP Agency Bonds (1st)	30,000,000,000	0	0	-	30,000,000,000 (0)	2.470	September 2028	
FILP Agency Bonds (2nd)	30,000,000,000	0	0	-	30,000,000,000 (0)	2.341	June 2029	
FILP Agency Bonds (3rd)	20,000,000,000	0	0	-	20,000,000,000 (0)	2.134	December 2029	
FILP Agency Bonds (4th)	20,000,000,000	0	0	-	20,000,000,000 (0)	2.079	June 2030	
FILP Agency Bonds (5th)	20,000,000,000	0	0	-	20,000,000,000 (0)	1.918	September 2030	
FILP Agency Bonds (6th)	20,000,000,000	0	0	-	20,000,000,000 (0)	2.098	December 2030	
FILP Agency Bonds (7th)	20,000,000,000	0	0	-	20,000,000,000 (0)	1.991	June 2031	
FILP Agency Bonds (8th)	15,000,000,000	0	0	-	15,000,000,000 (0)	1.554	September 2026	
FILP Agency Bonds (9th)	5,000,000,000	0	0	-	5,000,000,000 (0)	2.129	September 2041	
FILP Agency Bonds (11th)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.140	December 2021	
FILP Agency Bonds (12th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.901	June 2022	
FILP Agency Bonds (13th)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.752	June 2032	
FILP Agency Bonds (14th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.825	September 2022	
FILP Agency Bonds (15th)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.724	September 2032	
FILP Agency Bonds (17th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.720	December 2022	
FILP Agency Bonds (18th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.868	June 2023	
FILP Agency Bonds (19th)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.725	June 2033	
FILP Agency Bonds (20th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.787	September 2023	
FILP Agency Bonds (21st)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.734	September 2033	
FILP Agency Bonds (23rd)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.684	February 2024	
FILP Agency Bonds (24th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.655	June 2024	
FILP Agency Bonds (25th)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.520	June 2034	
FILP Agency Bonds (26th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.588	September 2024	
FILP Agency Bonds (27th)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.451	September 2034	
FILP Agency Bonds (28th)	10,000,000,000	0	10,000,000,000	-	0 (0)	0.150	December 2019	
FILP Agency Bonds (29th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.583	June 2025	
FILP Agency Bonds (30th)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.299	June 2035	
FILP Agency Bonds (31st)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.530	September 2025	
FILP Agency Bonds (32nd)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.212	September 2035	
FILP Agency Bonds (33rd)	10,000,000,000	0	0	-	10,000,000,000 (0)	1.130	December 2035	
FILP Agency Bonds (34th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.245	February 2026	
FILP Agency Bonds (35th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.080	June 2026	
FILP Agency Bonds (36th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.313	June 2036	
FILP Agency Bonds (37th)	20,000,000,000	0	0	-	20,000,000,000 (0)	0.100	September 2026	
FILP Agency Bonds (38th)	15,000,000,000	0	0	-	15,000,000,000 (0)	0.590	September 2046	
FILP Agency Bonds (39th)	5,000,000,000	0	0	-	5,000,000,000 (0)	0.744	February 2037	
FILP Agency Bonds (40th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.220	June 2027	
FILP Agency Bonds (41st)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.602	June 2037	
FILP Agency Bonds (42nd)	20,000,000,000	0	0	-	20,000,000,000 (0)	0.597	September 2037	
FILP Agency Bonds (43rd)	20,000,000,000	0	0	-	20,000,000,000 (0)	0.625	December 2037	
FILP Agency Bonds (44th)	15,000,000,000	0	0	-	15,000,000,000 (0)	0.200	June 2028	
FILP Agency Bonds (45th)	10,000,000,000	0	0	-	10,000,000,000 (0)	0.559	June 2038	
FILP Agency Bonds (46th)	20,000,000,000	0	0	-	20,000,000,000 (0)	0.664	September 2038	
FILP Agency Bonds (47th)	15,000,000,000	0	0	-	15,000,000,000 (0)	0.636	December 2038	
FILP Agency Bonds (48th)	0	10,000,000,000	0	-	10,000,000,000 (0)	0.059	June 2029	
FILP Agency Bonds (49th)	0	10,000,000,000	0	-	10,000,000,000 (0)	0.333	June 2039	
FILP Agency Bonds (50th)	0	12,000,000,000	0	-	12,000,000,000 (0)	0.055	September 2029	
FILP Agency Bonds (51st)	0	18,000,000,000	0	-	18,000,000,000 (0)	0.538	December 2049	
FILP Agency Bonds (52nd)	0	10,000,000,000	0	-	10,000,000,000 (0)	0.055	March 2030	
Subtotal	580,000,000,000	60,000,000,000	10,000,000,000	-	630,000,000,000 (0)			

Continued from previous page

Security name	Balance at the beginning of the period	Increase during the period	Decrease during the period	Translation Adjustments	Balance at the end of the period	Coupon (%)	Maturity date	Remarks
Government-guaranteed bonds								
Japan International Cooperation Agency Government-guaranteed bonds (1st)	57,305,000,000 [$500,000,000]	0	57,305,000,000 [$500,000,000]	0	0 [$0] (0)	1.875	November 2019	
Japan International Cooperation Agency Government-guaranteed bonds (2nd)	53,158,600,000 [$500,000,000]	0 [$0]	0 [$0]	(493,200,000)	52,665,400,000 [$500,000,000] (0)	2.125	October 2026	
Japan International Cooperation Agency Government-guaranteed bonds (3rd)	55,043,050,000 [$500,000,000]	0 [$0]	0 [$0]	(863,100,000)	54,179,950,000 [$500,000,000] (0)	2.750	April 2027	
Japan International Cooperation Agency Government-guaranteed bonds (4th)	55,097,050,000 [$500,000,000]	0 [$0]	0 [$0]	(863,100,000)	54,233,950,000 [$500,000,000] (0)	3.375	June 2028	
Subtotal	220,603,700,000 [$2,000,000,000]	0 [$0]	57,305,000,000 [$500,000,000]	(2,219,400,000)	161,079,300,000 [$1,500,000,000] (0)			
Total	800,603,700,000	60,000,000,000	67,305,000,000	(2,219,400,000)	791,079,300,000 (0)			

* Figures in parentheses indicate the amount of bonds redeemable within one year. The amount in [ ] is denominated in a foreign currency.

(6) Details of provisions

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period		Balance at the end of the period	Remarks
			Intended purpose	Others		
Provision for bonuses	323,356,434	336,838,488	323,356,434	0	336,838,488	
Provision for contingent losses	9,285,616,775	1,987,495,146	0	9,230,233,989	2,042,877,932	
Total	9,608,973,209	2,324,333,634	323,356,434	9,230,233,989	2,379,716,420	

* Decrease during the period (others) for the provision for contingent losses indicates the amount of reversal of the provision after revaluation, etc.

(7) Details of allowance for loan losses, etc.

(Unit: Yen)

Classification	Balance of loans, etc.			Balance of allowance for loan losses			Remarks
	Balance at the beginning of the period	Increase or decrease during the period	Balance at the end of the period	Balance at the beginning of the period	Increase or decrease during the period	Balance at the end of the period	
Loans	12,300,293,753,275	314,552,346,099	12,614,846,099,374	165,843,939,511	(23,791,185,528)	142,052,753,983	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239	0	87,062,884,239	83,193,460,691	3,869,423,548	87,062,884,239	
Total	12,387,356,637,514	314,552,346,099	12,701,908,983,613	249,037,400,202	(19,921,761,980)	229,115,638,222	

* The standard for the accrual of allowance for loan losses is described in No. 4 of Significant Accounting Policies.

(8) Details of provision for retirement benefits

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Remarks
Total retirement benefit obligations	6,531,930,426	349,729,500	386,232,655	6,495,427,271	
Retirement benefits	3,664,741,281	267,976,805	277,302,953	3,655,415,133	
Defined benefit corporate pension plan	2,867,189,145	81,752,695	108,929,702	2,840,012,138	
Unrecognized past service cost and unrecognized actuarial differences	0	0	0	0	
Plan assets	2,338,502,047	173,765,867	242,492,311	2,269,775,603	
Provision for retirement benefits	4,193,428,379	175,963,633	143,740,344	4,225,651,668	

(9) Details of asset retirement obligations

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Remarks
Obligation of restoration to original state based on building lease agreement	70,374,150	0	0	70,374,150	Specified expenses in Accounting Standard for Incorporated Administrative Agency No. 91: None

(10) Details of liabilities for guarantee

(Unit: Yen)

Classification	Balance at the beginning of the period		Increase during the period		Decrease during the period		Balance at the end of the period		Remarks
	Number of bonds	Amount	Number of bonds	Amount	Number of bonds	Amount	Number of bonds	Amount	
FILP Agency Bonds (Public offering)	4	80,000,000,000	0	0	2	40,000,000,000	2	40,000,000,000	

* JICA is jointly liable for obligations arising from the above bonds issued by the former Japan Bank for International Cooperation which was succeeded by the Japan Bank for International Cooperation.

(11) Details of remunerations and salaries of officers and employees

(Unit: Thousands of yen, persons)

Classification	Remunerations or salaries		Retirement benefits	
	Payment amount	Number of people	Payment amount	Number of people
Officers	52,959	13	1,685	3
Employees	4,554,176	1,971	284,733	101
Total	4,607,135	1,984	286,418	104

(Notes) 1. Payment standard of remunerations and retirement benefits to officers

Remunerations and retirement benefits to officers are paid based on “Rules on Remuneration for Officers” and “Rules on Retirement Benefits for Officers” in place for Incorporated Administrative Agency - Japan International Cooperation Agency.

2. Payment standard of salaries and retirement benefits to employees

Salaries and retirement benefits to employees are paid based on “Rules on Salaries for Employees” and “Rules on Retirement Benefits for Employees” in place for Incorporated Administrative Agency - Japan International Cooperation Agency.

3. Number of people

As for the number of people to whom remunerations or salaries are paid, the average number of JICA officers or employees during the period is used.

4. Others

There are no part-time officers or employees classified as external members.

(12) Details of main assets, liabilities, and expenses, other than those mentioned above

Operating and administrative expenses (Unit: Yen)

Classification	Amount
Operating expenses	5,192,008,620
Information system-related expenses	1,853,938,942
Rent expenses on real estate	879,708,630
Travelling and transportation expenses	1,357,006,033
Other expenses	3,012,860,929
Total	12,295,523,154

(13) Details of affiliated companies

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	KAFCO Japan Investment Co., Ltd.	Karnaphuli Fertilizer Company Limited
Outline of operations	Production of urea and ammonia in Chittagong, Bangladesh	Production of urea and ammonia in Chittagong, Bangladesh
Name of officers	Number of officers: 8 President and CEO: Hiroshi Nakagawa Executive Vice President: Kazuhide Usui (Former Deputy General Manager of the International Credit Analysis Department, former Japan Bank for International Cooperation)	-
Association chart on transactions between affiliated companies and JICA	JICA → KAFCO Japan Investment Co., Ltd. (Equity Investment)	JICA → KAFCO Japan Investment Co., Ltd. (Equity Investment) KAFCO Japan Investment Co., Ltd. → Karnaphuli Fertilizer Company Limited (Equity Investment)
Assets	¥6,233,675,558	-
Liabilities	¥53,808,140	-
Capital	¥5,023,900,000	-
Retained earnings	¥1,155,967,418	-
Operating revenues	¥943,795,508	-
Ordinary (loss) income	¥817,396,597	-
Net (loss) income	¥721,807,046	-
Unappropriated (loss) income for the current business year	¥722,505,326	-
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	- Number of company shares owned by JICA: 46,606 shares - Acquisition cost: ¥2,436,204,983 - Balance sheet amount: ¥2,436,204,983 (No changes from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Developing Area, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the production of urea and ammonia by the company - Date of the initial investment: July 27, 1990	- Number of company shares owned by JICA: - - Acquisition cost: - - Balance sheet amount: - - Legal basis: - - Applicable provision of the act: - - Purpose of investment: - - Date of the initial investment: -
Details of receivables and payables	N/A	-
Details of debt guarantee	N/A	-
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	N/A	-

(Note)The above amount pertains to the period from September 1, 2018, through August 31, 2019.

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	Nippon Amazon Aluminum Co., Ltd.	SPDC Ltd.
Outline of operations	Production of alumina and smelting ammonium in the Amazon region	Production and sales of ethylene glycol and other petrochemical products in the Al Jubail Industrial Area
Name of officers	Number of officers: 13 President and CEO: Yoshiki Takizawa Auditor: Masatomo Ogane (Expert for Viet Nam, JICA)	Number of officers: 17 President and CEO: Shinichi Nakayama Managing Director: Hajime Takeuchi (Director General of Latin America and the Caribbean Department of JICA)
Association chart on transactions between affiliated companies and JICA	JICA → Nippon Amazon Aluminum Co., Ltd (Equity Investment)	JICA → SPDC Ltd. (Equity Investment)
Assets	¥53,861,094,072	¥93,968,973,882
Liabilities	¥357,520,559	¥16,263,792,562
Capital	¥55,285,400,000	¥14,200,000,000
Retained earnings	(¥1,781,826,487)	¥63,505,181,320
Operating revenues	¥807,178,794	¥59,064,101,069
Ordinary (loss) income	¥188,642,798	¥57,422,680,548
Net (loss) income	¥187,432,798	¥53,615,686,706
Unappropriated (loss) income for the current business year	(¥3,572,293,487)	¥41,455,181,320
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	- Number of company shares owned by JICA: 496,652,800 shares - Acquisition cost: ¥25,066,535,300 - Balance sheet amount: ¥24,032,293,874 (An increase of ¥84,189,518 from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Developing Area, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the smelting of alumina and aluminum - Date of the initial investment: August 29, 1978	- Number of company shares owned by JICA: 2,107,500 shares - Acquisition cost: ¥7,269,880,619 - Balance sheet amount: ¥7,269,880,619 (No changes from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Developing Area, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the manufacturing of ethylene glycol and other petrochemical products - Date of the initial investment: June 17, 1981
Details of receivables and payables	N/A	N/A
Details of debt guarantee	N/A	N/A
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	N/A	N/A
	(Note)The above amount pertains to the period from January 1, 2019, through December 31, 2019.	(Note)The above amount pertains to the period from January 1, 2019, through December 31, 2019.

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	Eastern Petrochemical Company	Sumatra Pulp Corporation
Outline of operations	Production and sales of ethylene glycol and other petrochemical products in the Al Jubail Industrial Area	Construction of a pulp mill to manufacture wood pulp from afforested acacia mangium, and production and sale of wood pulp in Muara Enim, South Sumatra
Name of officers	-	Number of officers: 6 President and CEO: Takahiro Horita Executive Vice President: Hironobu Takahashi (Senior Assistant Director of Private Sector Partnership and Finance Department of JICA) Auditor: Tsutomu Kudo (Senior Deputy Director General of Private Sector Partnership and Finance Department of JICA)
Association chart on transactions between affiliated companies and JICA	JICA → SPDC Ltd. (Equity Investment) ↓ (Equity Investment) Eastern Petrochemical Company	JICA → Sumatra Pulp Corporation (Equity Investment)
Assets	-	¥10,647,760
Liabilities	-	¥756,075,860
Capital	-	¥100,000,000
Retained earnings	-	(¥845,428,100)
Operating revenues	-	¥63,879,080
Ordinary (loss) income	-	(¥30,639,050)
Net (loss) income	-	(¥30,819,050)
Unappropriated (loss) income for the current business year	-	(¥845,428,100)
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	- Number of company shares owned by JICA: - - Acquisition cost: - - Balance sheet amount: - - Legal basis: - - Applicable provision of the act: - - Purpose of investment: - - Date of the initial investment: -	- Number of company shares owned by JICA: 114,032 shares - Acquisition cost: ¥2,758,289,455 - Balance sheet amount: ¥1 (No changes from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Developing Area, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the pulp manufacturing business - Date of the initial investment: April 21, 1995
Details of receivables and payables	-	N/A
Details of debt guarantee	-	N/A
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	-	N/A

(Note)The above amount pertains to the period from April 1, 2018, through March 31, 2019.

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	Japan Saudi Arabia Methanol Co., Inc.	JSMC PANAMA S.A.
Outline of operations	Production of methanol in the Al-Jubail Industrial Area	Transportation of methanol business
Name of officers	Number of officers: 12 Chairman: Tomohiko Okubo Managing Director and General Manager of the General Affairs Department: Hideyuki Maruoka (Senior Deputy Director General of Infrastructure Engineering Department of JICA) Auditor: Yutaka Ohashi (Former General Manager of Development Assistance Department IV, former Japan Bank for International Cooperation)	-
Association chart on transactions between affiliated companies and JICA	JICA → Japan Saudi Arabia Methanol Co., Inc. (Equity Investment)	JICA → Japan Saudi Arabia Methanol Co., Inc. (Equity Investment) ↓ (Equity Investment) JSMC PANAMA S.A.
Assets	¥172,739,743,404	-
Liabilities	¥105,816,779,925	-
Capital	¥2,310,000,000	-
Retained earnings	¥64,894,552,479	-
Operating revenues	¥28,448,263,111	-
Ordinary (loss) income	(¥7,730,808,820)	-
Net (loss) income	(¥2,780,091,744)	-
Unappropriated (loss) income for the current business year	¥48,743,952,479	-
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	- Number of company shares owned by JICA: 1,386,000 shares - Acquisition cost: ¥7,149,297,104 - Balance sheet amount: ¥7,149,297,104 (No changes from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Developing Area, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the methanol manufacturing business - Date of the initial investment: December 17, 1979	- Number of company shares owned by JICA: - - Acquisition cost: - - Balance sheet amount: - - Legal basis: - - Applicable provision of the act: - - Purpose of investment: - - Date of the initial investment: -
Details of receivables and payables	N/A	-
Details of debt guarantee	N/A	-
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	N/A	-

(Note)The above amount pertains to the period from January 1, 2019, through December 31, 2019.

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	JAPAN ASEAN Women Empowerment Fund	Ship Aichi Medical Service Limited
Outline of operations	Investment and / or loan to Microfinance Institutes for empowerment of women in ASEAN countries	Establishment and operation of a private general hospital in Dhaka, People's Republic of Bangladesh
Name of officers	Number of officers: 3 Chairperson Peter Fanconi Director Christophe Grünig Director Tetsuro Uemae	Number of officers: 9 Executive Chairman: Hiroyuki Kobayashi Director: Hitoshi Hirata (Chief Representative of JICA Bangladesh Office)
Association chart on transactions between affiliated companies and JICA	JICA → JAPAN ASEAN Women Empowerment Fund (Equity Investment)	JICA → Ship Aichi Medical Service Limited (Equity Investment)
Assets	¥19,272,569,043	¥4,749,397,437
Liabilities	¥1,310,250,038	¥401,078,154
Capital	¥17,887,125,437	¥4,418,839,620
Retained earnings	¥75,193,567	(¥70,520,337)
Operating revenues	¥879,759,262	¥3,607,321
Ordinary (loss) income	¥629,811,647	(¥36,685,457)
Net (loss) income	¥629,811,647	(¥64,393,345)
Unappropriated (loss) income for the current business year	¥75,193,567	(¥70,520,337)
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	- Number of company shares owned by JICA: 4,750 shares - Acquisition cost: ¥5,126,773,000 - Balance sheet amount: ¥5,126,773,000 (An increase of ¥1,861,478,431 from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Developing Area, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the fund - Date of the initial investment: October 21, 2016	- Number of company shares owned by JICA: 560,000 shares - Acquisition cost: ¥748,809,600 - Balance sheet amount: ¥717,671,332 (An increase of ¥717,671,332 from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Developing Area, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the establishment and operation of a private general hospital - Date of the initial investment: May 22, 2019
Details of receivables and payables	N/A	N/A
Details of debt guarantee	N/A	N/A
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	N/A	N/A

(Note)The above amount pertains to the period from January 1, 2019, through December 31, 2019.

(Note)The above amount pertains to the period from July 1, 2018, through June 30, 2019.

JICA 2020

ANNUAL REPORT

JAPAN INTERNATIONAL COOPERATION AGENCY

Data Book

Contents

Financial Summary

1 General Account

Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	214,926	232,485
Others	27,155	26,493
Total current assets	242,081	258,978
Non-current assets		
Tangible assets	39,141	38,651
Intangible assets	3,323	4,072
Investments and other assets	1,666	16,896
Total non-current assets	44,130	59,619
Total assets	286,211	318,597
Liabilities		
Current liabilities		
Operational grant liabilities	31,300	40,669
Funds for grant aid	174,791	178,788
Others	17,513	22,776
Total current liabilities	223,604	242,234
Non-current liabilities		
Contra-accounts for assets	6,999	7,873
Provision for retirement benefits	—	14,982
Others	627	489
Total non-current liabilities	7,626	23,344
Total liabilities	231,230	265,578
Net assets		
Capital		
Government investment	62,452	62,452
Total capital	62,452	62,452
Capital surplus		
Capital surplus	(21,957)	(22,442)
Total capital surplus	(21,957)	(22,442)
Retained earnings		
Retained earnings	14,485	13,008
Total retained earnings	14,485	13,008
Total net assets	54,981	53,019
Total liabilities and net assets	286,211	318,597

(Assets)
For the business year ended March 31, 2020, total assets amounted to ¥318,597 million, increasing ¥32,386 million or 11.3% from the previous business year, primarily due to the ¥17,559 million or 8.2% increase in cash and deposits and ¥14,982 million increase in contra-accounts for provision for retirement benefits (recorded from the current business year due to changes in accounting standards). The ending balance of cash and deposits of ¥232,485 million includes donated funds for grant aid projects which amount to ¥180,918 million.
(Liabilities)
For the business year ended March 31, 2020, total liabilities were ¥265,578 million, increasing ¥34,348 million or 14.9% year-on-year, primarily due to the ¥9,369 million or 29.9% increase in operational grant liabilities and ¥14,982 million increase in provision for retirement benefits (recorded from the current business year due to changes in accounting standards).

Statement of Income

(Unit: Millions of yen)

	April 1, 2018– March 31, 2019	April 1, 2019– March 31, 2020
Ordinary expenses		
Operating expenses		
Expenses for priority sectors and regions	78,686	71,030
Expenses for private sector partnership	5,016	4,479
Expenses for domestic partnership	18,506	17,184
Expenses for other operations	3,384	3,217
Expenses for operation support	37,417	38,806
Expenses for grant aid	94,985	89,236
Others	711	1,375
General administrative expenses	8,593	8,989
Financial expenses	243	108
Specific purpose expenses	—	250
Others	1	0
Total ordinary expenses	247,543	234,674
Ordinary revenues		
Revenues from operational grants	139,031	137,013
Revenues from grant aid	94,985	89,236
Others	4,434	7,101
Total ordinary revenues	238,451	233,350
Ordinary income (loss)	(9,093)	(1,324)
Extraordinary losses	34	16,057
Extraordinary income	68	16,042
Reversal of reserve fund carried over from the previous Mid-term Objective period	12,227	4,459
Total income for the current business year	3,168	3,121

(Ordinary expenses)
For the business year ended March 31, 2020, ordinary expenses amounted to ¥234,674 million, decreasing ¥12,869 million or 5.2% from the previous business year. The major factor of the decrease was the ¥7,656 million or 9.7% year-on-year decrease in expenses for priority sectors and regions of which operational grants are the financial source and the ¥5,750 million or 6.1% decrease in expenses for grant aid.
(Ordinary revenues)
For the business year ended March 31, 2020, ordinary revenues totaled ¥233,350 million, decreasing ¥5,101 million or 2.1% year-on-year. The major factor of the decrease was the ¥2,018 million or 1.5% decrease in revenues from operational grants and the ¥5,750 million or 6.1% decrease in revenues from grant aid.
(Total income for the current business year)
In addition to the ordinary income noted above, the following items were recorded in the business year under review. There was an extraordinary income of ¥37 million with the loss on disposal of non-current assets, ¥3 million in loss on sales of non-current assets, and ¥26 million in gain on sales of non-current assets. Moreover, reversal of reserve fund carried over from the previous Mid-term Objective period totaled ¥4,459 million. As a result, total income for the current business year was ¥3,121 million, decreasing ¥47 million or 1.5% from the previous business year.

Statement of Cash Flows

(Unit: Millions of yen)

	April 1, 2018– March 31, 2019	April 1, 2019– March 31, 2020
I. Cash flows from operating activities		
Payments of operating expenses	(130,351)	(120,977)
Payments for grant aid	(95,355)	(88,121)
Payments of personnel expenses	(17,221)	(17,346)
Proceeds from operational grants	152,364	150,476
Proceeds from grant aid	105,714	93,258
Other proceeds and payments	4,314	3,247
II. Cash flows from investing activities	(2,477)	(2,524)
III. Cash flows from financing activities	(145)	(115)
IV. Effect of exchange rate changes on funds	(128)	(40)
V. Net increase (decrease) in funds	16,716	17,859
VI. Funds at the beginning of the business year	191,910	208,626
VII. Funds at the end of the business year	208,626	226,485

(Cash flows from operating activities)
For the business year ended March 31, 2020, cash flows from operating activities amounted to ¥20,538 million, increasing ¥1,072 million or 5.5% year-on-year. The major factor of the increase was the ¥9,374 million or 7.2% decrease in payments of operating expenses, the ¥7,234 million or 7.6% decrease in payments for grant aid, ¥1,888 million or 1.2% decrease in proceeds from operational grants, and the ¥12,456 million or 11.8% decrease in proceeds from grant aid.
(Cash flows from investing activities)
For the business year ended March 31, 2020, cash flows from investing activities amounted to a cash outflow of ¥2,524 million, decreasing ¥47 million or 1.9% from the previous business year. The decrease was primarily attributed to the absence of proceeds from subsidy for facilities which was ¥159 million in the previous business year.
(Cash flows from financing activities)
For the business year ended March 31, 2020, cash flows from financing activities amounted to a cash outflow of ¥115 million, increasing ¥30 million or 20.6% from the previous business year. The major contributor to the decrease was the ¥30 million or 20.6% decrease in repayments of lease obligations.

2 Finance and Investment Account

Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Loans	12,300,294	12,614,846
Allowance for loan losses	(165,844)	(142,053)
Others	385,840	233,445
Total current assets	12,520,290	12,706,238
Non-current assets		
Tangible assets	9,431	9,370
Intangible assets	5,758	5,655
Investments and other assets		
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,063	87,063
Allowance for loan losses	(83,193)	(87,063)
Others	91,581	104,200
Total non-current assets	110,639	119,225
Total assets	12,630,929	12,825,464
Liabilities		
Current liabilities		
Current portion of bonds	67,305	—
Current portion of borrowings from government fund for Fiscal Investment and Loan Program	138,032	106,613
Others	40,805	40,341
Total current liabilities	246,141	146,954
Non-current liabilities		
Bonds	733,299	791,079
Borrowings from government fund for Fiscal Investment and Loan Program	1,899,402	1,962,569
Others	8,757	9,582
Total non-current liabilities	2,641,459	2,763,230
Total liabilities	2,887,600	2,910,185
Net assets		
Capital		
Government investment	8,083,418	8,150,728
Total capital	8,083,418	8,150,728
Retained earnings		
Reserve fund	1,626,110	1,703,881
Others	77,771	95,645
Total retained earnings	1,703,881	1,799,526
Valuation and translation adjustments	(43,969)	(34,974)
Total net assets	9,743,329	9,915,279
Total liabilities and net assets	12,630,929	12,825,464

(Assets)
For the business year ended March 31, 2020, total assets amounted to ¥12,825,464 million, increasing ¥194,535 million or 1.5% from the previous business year, primarily due to the ¥314,552 million or 2.6% increase in loans.
(Liabilities)
For the business year ended March 31, 2020, total liabilities were ¥2,910,185 million, increasing ¥22,585 million or 0.8% year-on-year, primarily due to the ¥31,748 million or 1.6% increase in borrowings from government fund for Fiscal Investment and Loan Program.

Statement of Income

(Unit: Millions of yen)

	April 1, 2018–March 31, 2019	April 1, 2019–March 31, 2020
Ordinary expenses		
Expenses related to operations of cooperation through finance and investment		
Interest on bonds and notes	9,331	9,515
Interest on borrowings	16,541	21,707
Interest on interest rate swaps	6,720	6,222
Operations outsourcing expenses	33,865	29,138
Operating and administrative expenses	13,621	12,296
Provision for allowance for loan losses	1,779	—
Others	8,089	7,959
Total ordinary expenses	89,945	86,837
Ordinary revenues		
Revenues from operations of cooperation through finance and investment		
Interest on loans	138,201	131,739
Dividends on investments	20,872	15,852
Reversal of provision for allowance for loan losses	—	19,922
Others	6,872	13,392
Others	1,775	1,582
Total ordinary revenues	167,721	182,486
Ordinary income	77,776	95,650
Extraordinary losses	6	9
Extraordinary income	2	3
Total income for the current business year	77,771	95,645

(Ordinary expenses)
For the business year ended March 31, 2020, ordinary expenses amounted to ¥86,837 million, decreasing ¥3,109 million or 3.5% from the previous business year. The major factor of the decrease was the ¥4,727 million or 14.0% decrease in operations outsourcing expenses.
(Ordinary revenues)
For the business year ended March 31, 2020, ordinary revenues increased ¥14,765 million or 8.8% to ¥182,486 million. The major factor of the increase was the reversal of provision for allowance for loan losses of ¥19,922 million which was ¥0 in the previous business year.
(Total income for the current business year)
In addition to the ordinary income noted above, there were extraordinary losses of ¥9 million, including loss on disposal of non-current assets and other losses, and extraordinary income of ¥3 million as gain on sales of non-current assets. As a result, total income for the current business year was ¥95,645 million, increasing ¥17,873 million or 23.0% from the previous business year.

Statement of Cash Flows

(Unit: Millions of yen)

	April 1, 2018–March 31, 2019	April 1, 2019–March 31, 2020
I. Cash flows from operating activities	22,218	(200,800)
Payments for loans	(1,079,145)	(1,090,516)
Repayments of borrowings from government fund for Fiscal Investment and Loan Program	(206,179)	(200,152)
Proceeds from collection of loans	789,222	779,398
Proceeds from borrowings from government fund for Fiscal Investment and Loan Program	332,100	231,900
Proceeds from issuance of bonds	113,966	59,639
Proceeds from interest on loans	135,396	128,416
Other operation proceeds and payments	(63,141)	(109,485)
II. Cash flows from investing activities	(13,525)	4,584
III. Cash flows from financing activities	45,848	67,156
IV. Effect of exchange rate fluctuation on funds	1,122	0
V. Net increase (decrease) in funds	55,663	(129,060)
VI. Funds at the beginning of the business year	248,954	304,618
VII. Funds at the end of the business year	304,618	175,558

(Cash flows from operating activities)
For the business year ended March 31, 2020, cash flows from operating activities amounted to a cash outflow of ¥200,800 million, decreasing ¥223,017 million or 1,003.8% year-on-year. The major factor of the decrease was the ¥100,200 million or 30.2% decrease in proceeds from borrowings from government fund for Fiscal Investment and Loan Program.
(Cash flows from investing activities)
For the business year ended March 31, 2020, cash flows from investing activities amounted to ¥4,584 million, increasing ¥18,109 million or 133.9% from the previous business year. The increase was primarily attributed to the ¥46,184 million or 93.4% increase in proceeds from time deposit refund.
(Cash flows from financing activities)
For the business year ended March 31, 2020, cash flows from financing activities amounted to ¥67,156 million, increasing ¥21,308 million or 46.5% from the previous business year. The major factor of the increase was the ¥21,300 million or 46.3% increase in receipts of government investment.

Statistics on Program Results

Interpreting the Statistics

The following shows statistics relating to JICA's operations in FY2019.
The methods of calculation and the range of figures are as follows.

1. When categorized according to region, figures for bilateral cooperation are classified into the following six regions.
   (1) Asia (including Central Asia and the Caucasus, excluding the Middle East);
   (2) Pacific;
   (3) North America and Latin America;
   (4) Middle East (west of Iran and north of Sahara except Sudan);
   (5) Africa (excluding the Middle East);
   (6) Europe (including Turkey)
2. Technical Cooperation program results by number of participants are classified into the following five types.
   (1) Acceptance of training participants;
   (2) Dispatch of experts;
   (3) Dispatch of study teams;
   (4) Dispatch of Japan Overseas Cooperation Volunteers (JOCVs);
   (5) Dispatch of other volunteers
3. All other data in connection with JICA's operations and performance together with revisions and updates of achievements and results not appearing in this report shall be posted on JICA's website in a timely and appropriate manner.

Breakdown of Countries and Regions

Asia	Southeast Asia	Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste, Viet Nam
	East Asia	China, Hong Kong, Macao, Mongolia, Republic of Korea
	South Asia	Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka
	Central Asia and the Caucasus	Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, Uzbekistan
Pacific	Pacific	Australia, Cook Islands, Federated States of Micronesia, Fiji, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, North Mariana Islands, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu
North America and Latin America	Central America and the Caribbean	Antigua and Barbuda, Bahamas, Barbados, Belize, Costa Rica, Cuba, Dominica, Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Montserrat, Netherlands Antilles Curacao, Nicaragua, Panama, Puerto Rico, Saint Christopher and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago
	South America	Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, Venezuela
	North America	Canada, United States of America
Middle East	Middle East	Algeria, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, Yemen
Africa	Africa	Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Tanzania, Togo, Uganda, Zambia, Zimbabwe
Europe	Europe	Albania, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kosovo, Latvia, Lithuania, Luxembourg, Malta, Moldova, Monaco, Montenegro, Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom
Others	International Organizations, etc.	
	Worldwide	Multiregional Cooperation

Note: On a geographic regional classification basis and with regard to ODA Loan data prior to FY2007, Algeria, Egypt, Libya, Morocco and Tunisia have been included in figures for Africa (North of Sahara), while Turkey has been included in figures for the Middle East.
With respect to Technical Cooperation and Grants data prior to FY2007, Afghanistan, Sudan and Turkey have been classified under the Middle East.
Country names appearing by region appear in alphabetical order.

1 Japan's ODA by Type, 2019 (Preliminary Figures)

Type / ODA Disbursements (Calendar Year 2019)	Dollar Basis (US$ 1 million)			Yen Basis (¥ 1 billion)			Percent of Total	
	Current Year	Previous Year	Rate of increase/ decrease(%)	Current Year	Previous Year	Rate of increase/ decrease(%)	ODA Total (Net Disbursement Basis)	ODA Total (Grant Equivalent Basis)
ODA / Bilateral ODA / Grants: Grants	2,553.02	2,639.75	−3.3	278.397	291.528	−4.5	22.0	
Debt Relief	—	23.72	−100.0	—	2.619	−100.0	—	
Grants Provided through International Organizations	1,162.48	1,315.96	−11.7	126.763	145.331	−12.8	10.0	
Grants Excluding the Above	1,390.54	1,300.07	7.0	151.633	143.577	5.6	12.0	
Grants (Excluding Disbursements for Graduate Countries)	2,551.61	2,630.91	−3.0	278.243	290.552	−4.2	21.9	16.5
Debt Relief	—	23.72	−100.0	—	2.619	−100.0	—	—
Grants Provided through International Organizations	1,162.04	1,314.79	-11.6	126.715	145.202	−12.7	10.0	7.5
Grants Excluding the Above	1,389.57	1,292.40	7.5	151.527	142.730	6.2	11.9	9.0
Technical Cooperation*	2,721.18	2,651.71	2.6	296.734	292.849	1.3	23.5	
Technical Cooperation (Excluding Disbursements for Graduated Countries)*	2,717.10	2,647.54	2.6	296.289	292.389	1.3	23.3	17.5
Total Grants	5,274.21	5,291.46	−0.3	575.131	584.377	-1.6	45.5	
Total Grants (Excluding Disbursements for Graduated Countries)	5,268.71	5,278.45	−0.2	574.531	582.940	-1.4	45.3	34.0
Loan Aid (Gross Disbursement)	9,398.92	8,006.18	17.4	1,024.914	884.185	15.9		
(Amount Recovered)	7,248.12	7,237.03	0.2	790.378	799.242	−1.1		
(Amount Recovered Excluding Debt Relief)	7,248.12	7,237.03	0.2	790.378	799.242	−1.1		
(Net Disbursement)	2,150.80	769.15	179.6	234.535	84.943	176.1	18.5	
(Net Disbursement Excluding Debt Relief)	2,150.80	769.15	179.6	234.535	84.943	176.1		
Loan Aid (Gross Disbursement, Excluding Disbursements for Graduated Countries)	9,398.92	8,006.18	17.4	1,024.914	884.185	15.9		
(Amount Recovered)	7,199.60	7,185.74	0.2	785.087	793.578	−1.1		
(Amount Recovered Excluding Debt Relief)	7,199.60	7,185.74	0.2	785.087	793.578	−1.1		
(Net Disbursement)	2,199.32	820.44	168.1	239.827	90.607	164.7	18.9	
(Net Disbursement Excluding Debt Relief)	2,199.32	820.44	168.1	239.827	90.607	164.7		
(Grant Equivalent)	6,515.53	5,477.69	18.9	710.492	604.944	17.4		42.0
Total Bilateral ODA (Gross Disbursement Basis)	14,673.13	13,297.64	10.3	1,600.044	1,468.562	9.0		
Total Bilateral ODA (Gross Disbursement Basis, Excluding Disbursements for Graduated Countries)	14,667.63	13,284.63	10.4	1,599.445	1,467.126	9.0		
Total Bilateral ODA (Net Disbursement Basis)	7,425.00	6,060.61	22.5	809.666	669.320	21.0	64.0	
Total Bilateral ODA (Net Disbursement Basis, Excluding Disbursements for Graduated Countries)	7,468.03	6,098.89	22.4	814.359	673.548	20.9	64.2	
Total Bilateral ODA (Grant Equivalent Basis, Excluding Disbursements for Graduated Countries)	11,784.24	10,756.13	9.6	1,285.023	1,187.884	8.2		76.0
Grants	3,051.47	2,639.86	15.6	332.751	291.540	14.1	26.2	19.7
Loan Aid (Amount Disbursed)	1,119.72	1,325.52	−15.5	122.101	146.388	−16.6	9.6	
Loan Aid (Grant Equivalent)	671.00	767.53	−12.6	73.170	84.764	−13.7		4.3
Contributions and Subscriptions to International Organizations (Gross and Net Disbursement Basis)	4,171.19	3,965.38	5.2	454.852	437.928	3.9	35.8	
Contributions and Subscriptions to International Organizations (Grant Equivalent Basis)	3,722.48	3,407.38	9.2	405.921	376.304	7.9		24.0
Total ODA (Gross Disbursement)	18,844.32	17,263.02	9.2	2,054.896	1,906.490	7.8		
Total ODA (Gross Disbursement, Excluding Disbursements for Graduated Countries)	18,838.82	17,250.01	9.2	2,054.297	1,905.053	7.8		
Total ODA (Net Disbursement)	11,596.20	10,025.99	15.7	1,264.518	1,107.248	14.2	100.0	
Total ODA (Net Disbursement, Excluding Disbursements for Graduated Countries)	11,639.23	10,064.27	15.6	1,269.210	1,111.475	14.2	100.0	
Total ODA (Grant Equivalent, Excluding Disbursements for Graduated Countries)	15,506.72	14,163.52	9.5	1,690.944	1,564.188	8.1		100.0
Preliminary Estimate of Nominal Gross National Income (GNI) (US$ billion, ¥ billion)	5,266.61	5,135.33	2.6	57,430.240	56,713.450	1.3		
% of GNI	0.22	0.20		0.022	0.020			
% of GNI (Net Disbursement Basis, Excluding Disbursements for Graduated Countries)	0.22	0.20		0.022	0.020			
% of GNI (Grant Equivalent Basis, Excluding Disbursements for Graduated Countries)	0.29	0.28		0.029	0.028			

(Notes) 1. Japan has a record of disbursements to the following 16 graduated countries and regions that are not DAC members: Bahrain, Barbados, Brunei Darussalam, Chile, [French Polynesia], Kuwait, [New Caledonia], Oman, Saint Christopher and Nevis, Romania, Saudi Arabia, Seychelles, Singapore, Trinidad and Tobago, United Arab Emirates, and Uruguay.
2. 2019 DAC designated exchange rate: US$1.00 = ¥109.0459 (an appreciation of ¥1.3919 compared with 2018)
3. Due to rounding, the total may not match the sum of each number.
4. Debt relief refers to exemption from commercial debts, and does not include debt deferral.
5. In the past, grants through international organizations were treated as "Contributions and Subscriptions to International Organizations." However, from 2006, donations for recipient countries identified at the time of contribution are treated as "Grants" for these countries.
6. Starting with 2011 results, NGO project grants have been included in grants for individual countries.
7. Grant equivalents are calculated starting from 2018 data. Since calculation is based on and differentiated by DAC income group, it cannot be calculated for graduated countries.
8. Data is provided by the Ministry of Foreign Affairs. The previous year's results are based on the final figures.

* Technical Cooperation includes administrative and development awareness costs.

2 Overview of MOFA's ODA Budget

(Unit: ¥ billion)

	FY2019		FY2020	
	Budget	Rate of increase/ decrease	Budget	Rate of increase/ decrease
Entire government	556.6	0.5%	561.0	0.8%
Within the Ministry	437.6	0.7%	442.9	1.2%
Grants	163.1	1.6%	163.2	0.06%
Management Grants (General Account)	151.0	0.3%	151.6	0.4%
Contributions and donations	49.3	−4.7%	54.9	11.4%
Aid for assistance activities	74.2	3.5%	73.2	−1.4%

Note: Due to rounding, the total may not match the sum of each number.

3 Outline of JICA Operations

	Content of Cooperation	FY2019	FY2018 (reference)
1.	Developing Countries/Regions Targeted for Assistance*	150 countries/regions	148 countries/regions
2.	Japan's total ODA (Calendar year, gross disbursement, including aid for graduate countries)	¥2,054.8 billion	¥1,906.4 billion
3.	JICA's Technical Cooperation Expenses **	¥175.1 billion	¥190.1 billion
4.	JICA's Finance and Investment Cooperation Projects (New Commitments) ***	¥1,523.2 billion	¥1,266.1 billion
5.	JICA's Grant Projects (New G/As concluded) ****	¥85.6 billion	¥98.5 billion
6.	Training Participants (New)	12,187 (persons)	14,890 (persons)
7.	Experts Dispatched (New)	8,012 (persons)	9,874 (persons)
8.	Members of Study Teams Dispatched (New)	5,257 (persons)	8,584 (persons)
9.	JOCVs Dispatched (New)	999 (persons)	1,029 (persons)
10.	Other Volunteers Dispatched (New)	152 (persons)	200 (persons)
11.	No. of Technical Cooperation Projects (Ongoing)	501 (90 countries/regions)	518 (91 countries/regions)
12.	No. of Science and Technology Research Partnership for Sustainable Development (SATREPS) (Ongoing)	74 (36 countries)	72 (36 countries)
13.	No. of Finance and Investment Cooperation Projects (New Commitments) ***	51 (19 countries)	38 (13 countries)
14.	No. of Grant Projects (New G/As concluded)	147 (49 countries/regions)	151 (59 countries/regions)
15.	No. of JICA Partnership Program (JPP) Projects (New/Ongoing)	197 (51 countries)	222 (49 countries)
16.	Dispatch of Japan Disaster Relief Team (JDR), Provision of Disaster Relief Supplies	15 (12 countries)	15 (10 countries)
	DAC Rate: US$1=	¥109.0459	¥110.4378

Note: Figures do not include those for worldwide projects across countries and regions.
* The number of countries in which there are JICA projects except the Development Assistance Committee (DAC) member countries.
** Technical Cooperation Expenses include expenses for Technical Assistance managed under the Finance and Investment Account budget, SATREPS, JPP Projects, Disaster Relief etc., but exclude administrative costs.
*** Total of new commitments of ODA Loans and Private-Sector Investment Finance projects.
**** The amount is calculated based on the budget; it does not correspond to the total amount of Grant Agreements (G/As) concluded in each fiscal year.

4 Geographical Distribution of JICA Operations

Note: The figures within Japan's ODA (2019) are provisional figures for the calendar year prepared from materials from the Ministry of Foreign Affairs of Japan. Cumulative total persons are cumulative new personnel (includes data for FY2019).
Figures do not include those for worldwide projects across countries and regions.
The cumulative total of expenses is the sum of actual expenses from FY1954 onward. The cumulative total of persons is the sum of persons from as early as FY1952 onward. (Emigrants are included: Training Participants are from FY1954, Experts from FY1955, Study Team Members from FY1957, JOCVs from FY1965, and Other Volunteers from FY1999.)
* F and IC: Finance and Investment Cooperation (ODA Loans and Private-Sector Investment Finance projects)
** Technical Cooperation Expenses include expenses for Technical Assistance managed under the Finance and Investment Account budget, SATREPS, JPP Projects, Disaster Relief etc., but exclude administrative costs.
*** The amount is calculated based on the FY2019 budget; it does not correspond to the total amount of Grant Agreements (G/As) concluded in FY2019.

4-1 Asia

Southeast Asia

Region / Country	Japan's ODA (2019)			JICA's Technical Cooperation (FY2019)															JICA's F and IC*	JICA's Grants
	Grants (US$1 million)	Technical Cooperation (US$1 million)	Loans (US$1 million)		Technical Cooperation Expenses** (¥1 billion)		Type (¥1 thousand)												Disbursements (FY2019) (¥1 billion)	(FY2019) (¥1 billion)***
							Training Participants**		Experts**		Study Team Members**		Provision of Equipment**	Other Expenses**	JOCVs		Other Volunteers			
							New	Ongoing	New	Ongoing	New	Ongoing			New	Ongoing	New	Ongoing		
Brunei Darussalam				2019	0.001	Persons	4													
						Expense	677													
				Cumulative Total	3.948	Persons	1,246		114		237									
						Expense	1,744,654		1,011,566		678,023		416,318	97,362						
Cambodia	60.29	31.47	63.11	2019	3.463	Persons	282	55	427	72	86	8			16	26		10	10.267	6.307
						Expense	280,799		2,360,195		583,040		52,544	42,234	111,526		32,806			
				Cumulative Total	93.221	Persons	14,644		6,512		5,741				542		224			
						Expense	11,735,946		37,282,919		23,206,366		5,321,597	7,962,871	4,846,161		2,865,469			
Indonesia	26.75	56.82	-968.94	2019	5.658	Persons	460	94	350	83	455	38			23	13	1	2	65.839	4.489
						Expense	450,888		2,604,830		2,457,321		151	59,107	79,096		6,615			
				Cumulative Total	368.544	Persons	45,689		18,858		25,735				763		264			
						Expense	50,630,410		138,996,011		106,886,350		40,223,572	20,423,987	7,711,203		3,672,542			
Laos	44.48	21.88	4.83	2019	2.857	Persons	293	23	265	63	82	3			17	38		3	1.073	1.062
						Expense	227,787		1,946,235		493,556		834	19,469	161,715		7,444			
				Cumulative Total	80.529	Persons	10,627		5,642		4,396				858		162			
						Expense	10,904,115		31,779,635		18,205,504		4,915,121	5,622,309	6,982,004		2,120,753			
Malaysia	0.04	9.18	-81.74	2019	0.841	Persons	302	34	74	9	35				11	14	4	6	3.445	
						Expense	214,835		319,664		183,659		136	16,192	79,260		27,320			
				Cumulative Total	119.568	Persons	18,565		4,456		6,803				1,341		211			
						Expense	30,989,446		27,807,651		30,570,375		13,820,218	2,320,035	11,376,375		2,683,806			
Myanmar	176.81	80.24	496.57	2019	6.655	Persons	588	89	874	102	550	45			11	9		4	58.846	10.396
						Expense	612,859		4,019,938		1,796,110		53,734	82,426	76,069		13,469			
				Cumulative Total	105.070	Persons	10,995		7,340		10,769				21		42			
						Expense	15,999,947		38,540,073		33,275,322		9,359,107	7,486,899	126,857		281,998			
Philippines	26.27	93.60	378.37	2019	8.671	Persons	320	39	245	39	951	94			15	25		3	80.298	0.289
						Expense	230,184		1,363,450		6,839,151		8,008	85,284	132,525		12,337			
				Cumulative Total	260.338	Persons	42,265		10,468		21,427				1,677		8			
						Expense	35,246,532		70,359,244		86,997,984		26,682,105	26,749,398	14,246,772		56,032			
Singapore	0.44	0.02		2019		Persons														
						Expense														
				Cumulative Total	21.855	Persons	4,821		1,281		854									
						Expense	8,134,718		7,709,467		1,812,322		3,630,484	567,584						
Thailand	1.67	26.36	-534.51	2019	2.827	Persons	195	67	150	35	102	1			7	30	2	4	29.422	
						Expense	226,149		1,533,788		895,934		314	26,664	125,585		18,607			
				Cumulative Total	237.396	Persons	32,157		11,310		16,431				745		326			
						Expense	41,934,120		79,310,790		58,339,353		40,105,803	6,504,174	7,576,997		3,624,610			
Timor-Leste	29.83	7.94	11.49	2019	0.856	Persons	141	6	72	15	14				16	31			0.755	0.081
						Expense	135,564		505,122		37,067		8,571	29,120	140,569					
				Cumulative Total	15.118	Persons	2,450		1,363		944				116					
						Expense	2,109,617		6,766,514		3,984,797		390,688	1,043,497	822,824					
Viet Nam	16.44	56.56	75.43	2019	5.015	Persons	638	67	677	93	262	27			12	30	3	16	37.536	2.370
						Expense	483,861		3,202,141		1,035,695		6,732	78,195	140,557		68,002			
				Cumulative Total	169.201	Persons	26,870		15,026		14,161				480		194			
						Expense	21,557,373		62,957,833		53,345,851		11,984,737	13,366,659	4,368,874		1,619,535			

4-1 Asia (Continued)

East Asia

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Japan's ODA (2019) Technical Cooperation (US$1 million)	Japan's ODA (2019) Loans (US$1 million)		JICA's Technical Cooperation (FY2019) Technical Cooperation Expenses** (¥1 billion)		Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
China	0.21	3.49	-866.98	2019	0.358	Persons	399	2	13	6	37				5	11				
						Expense		62,339		229,079		5,619	62	19,671		40,959				
				Cumulative Total	185.660	Persons		37,884		9,503		13,832				817		33		
						Expense		38,203,644		49,032,940		53,675,194	28,688,200	6,956,361		8,787,345		316,372		
Hong Kong				2019		Persons														
						Expense														
				Cumulative Total	1.909	Persons		653		37		39								
						Expense		1,157,472		313,236		49,766	386,594	1,725						
Macao				2019		Persons														
						Expense														
				Cumulative Total	0.001	Persons		1												
						Expense		971												
Mongolia	37.10	21.21	27.32	2019	2.227	Persons	266	12	350	33	73	3			18	39			5.369	1.352
						Expense		241,341		1,407,789		320,361	25,191	22,799		209,312				
				Cumulative Total	52.097	Persons		5,771		5,006		3,741				588		139		
						Expense		7,198,591		16,179,166		16,382,074	3,321,495	2,063,345		5,508,947		1,443,846		
Republic of Korea				2019		Persons														
						Expense														
				Cumulative Total	24.473	Persons		6,178		1,635		1,074								
						Expense		9,545,471		3,802,838		1,841,150	9,002,856	280,302						

South Asia

Region / Country	Grants	Technical Cooperation	Loans		Technical Cooperation Expenses		Training New	Training Ongoing	Experts New	Experts Ongoing	Study Team New	Study Team Ongoing	Provision of Equipment	Other Expenses	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	Disbursements	Grants
Afghanistan	116.46	15.04		2019	1.448	Persons	240	94	35	2	3									1.519
						Expense		484,006		825,469		57,851	47,475	33,038						
				Cumulative Total	64.225	Persons		5,994		2,242		1,926								
						Expense		12,106,582		27,977,714		10,854,733	2,167,126	11,119,010						
Bangladesh	54.86	38.00	1,046.06	2019	3.258	Persons	287	21	413	37	223	5							161.110	1.685
						Expense		293,244		2,126,698		748,883	78,386	10,446						
				Cumulative Total	93.177	Persons		13,866		4,921		6,932				1,265		20		
						Expense		14,140,496		29,194,286		26,703,620	5,953,955	5,228,131		11,787,604		169,230		
Bhutan	17.99	9.59	1.76	2019	0.865	Persons	85	1	113	16	60	2			7	18	1	7	0.315	1.514
						Expense		126,828		377,897		247,009	5,594	13,014		69,445		24,888		
				Cumulative Total	23.260	Persons		2,280		959		1,296				461		151		
						Expense		3,215,860		6,034,424		5,303,326	1,713,977	753,744		4,680,133		1,558,913		
India	7.48	106.40	1,681.14	2019	8.700	Persons	274	71	259	23	414	67			20	11			254.678	1.269
						Expense		687,309		1,499,030		6,354,154	822	79,337		79,590		93		
				Cumulative Total	92.680	Persons		8,412		3,710		7,818				235		2		
						Expense		11,749,254		19,483,768		41,242,140	3,764,337	15,339,291		1,097,391		3,692		
Maldives	12.53	2.20	-1.10	2019	0.278	Persons	36	1	16	1	7				8	11				
						Expense		48,624		145,622		26,987	74	182		56,670				
				Cumulative Total	8.139	Persons		1,163		114		477				348		11		
						Expense		1,782,376		410,238		1,939,998	216,744	257,409		3,475,930		56,344		
Nepal	48.63	17.45	60.31	2019	2.110	Persons	121	10	134	28	86	11			19	46	3	3	6.965	2.010
						Expense		139,690		1,052,808		662,997	963	24,893		208,965		19,723		
				Cumulative Total	80.750	Persons		6,236		3,935		4,650				1,250		179		
						Expense		10,009,766		26,462,182		20,551,573	7,369,457	3,080,747		11,405,146		1,870,977		
Pakistan	57.75	16.67	-208.95	2019	1.850	Persons	117	14	138	28	112	12							3.923	2.932
						Expense		118,861		1,138,739		558,601	489	33,289						
				Cumulative Total	61.844	Persons		7,236		2,863		4,659				167		54		
						Expense		11,626,643		19,700,342		19,153,710	4,838,460	4,202,915		1,750,358		572,017		
Sri Lanka	18.16	12.32	2.81	2019	1.034	Persons	461	14	107	22	68	6				40		1	23.086	1.788
						Expense		228,016		241,495		430,729	2,743	50,008		79,074		1,866		
				Cumulative Total	85.672	Persons		13,827		3,065		5,965				1,057		91		
						Expense		16,708,951		20,073,385		25,783,389	7,454,879	5,779,891		9,193,750		677,284		

Central Asia and the Caucasus

Region / Country	Grants	Technical Cooperation	Loans		Technical Cooperation Expenses		Training New	Training Ongoing	Experts New	Experts Ongoing	Study Team New	Study Team Ongoing	Provision of Equipment	Other Expenses	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	Disbursements	Grants
Armenia	15.47	1.08	-10.29	2019	0.184	Persons	29		2	1										
						Expense		39,102		140,326				4,907						
				Cumulative Total	4.686	Persons		730		170		461								
						Expense		1,116,174		1,052,986		2,243,157	58,531	215,185						
Azerbaijan	1.63	0.35	-3.65	2019	0.038	Persons	22												2.520	
						Expense		31,274				101		6,214						
				Cumulative Total	3.596	Persons		644		9		388								
						Expense		868,080		146,606		2,372,519	1,160	207,208						
Georgia	0.98	0.41	-4.75	2019	0.062	Persons	22		4	1	2								0.048	
						Expense		30,781		21,439		1,502		7,954						
				Cumulative Total	2.489	Persons		577		32		258								
						Expense		777,556		240,739		1,188,218	99,554	183,373						
Kazakhstan	0.35	1.05	-41.78	2019	0.113	Persons	53	6	1	1										
						Expense		64,201		24,968		12,898		11,142						
				Cumulative Total	13.622	Persons		1,710		339		1,167								
						Expense		2,405,953		2,551,653		7,512,926	593,056	558,716						
Kyrgyz Republic	16.88	10.42	-9.02	2019	1.036	Persons	110	6	392	22	25				14	26	1		0.061	0.945
						Expense		159,874		653,895		77,316	1,055	9,821		130,074		3,686		
				Cumulative Total	20.195	Persons		2,390		1167		1,118				240		40		
						Expense		3,503,995		6,172,237		5,722,741	1,035,330	1,642,553		1,931,493		187,102		
Tajikistan	16.74	5.63		2019	0.540	Persons	75	5	54	7	5						2	3		2.387
						Expense		91,972		351,062		20,175	54,466	10,350				11,676		
				Cumulative Total	9.016	Persons		2,380		392		427						16		
						Expense		3,048,382		2,935,892		1,852,415	782,447	342,204				54,368		
Turkmenistan		1.52	-2.00	2019	0.072	Persons	16		13	2	2									
						Expense		22,152		49,942		400								
				Cumulative Total	1.297	Persons		562		56		49								
						Expense		774,850		293,076		115,555		113,288						
Uzbekistan	11.24	6.13	366.83	2019	0.883	Persons	73	4	25	6	9	1			11	22	4	3	26.331	0.257
						Expense		105,962		335,033		263,926	50,653	3,131		100,876		23,078		
				Cumulative Total	19.114	Persons		2,547		1,113		1,318				258		82		
						Expense		3,194,448		4,946,931		5,335,387	1,312,487	1,480,962		2,035,250		808,187		

4-2 Pacific

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Japan's ODA (2019) Technical Cooperation (US$1 million)	Japan's ODA (2019) Loans (US$1 million)		JICA's Technical Cooperation (FY2019) Technical Cooperation Expenses** (¥1 billion)		Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
Australia				2019		Persons														
						Expense														
				Cumulative Total	0.254	Persons		1		19		44								
						Expense		31,795		21,425		98,770	3,954	71,972		934				
Cook Islands	0.39	0.07		2019	0.005	Persons	3	1												
						Expense		5,042				232								
				Cumulative Total	0.876	Persons		258		23		43								
						Expense		359,997		80,190		398,903	30,974	6,417						
Federated States of Micronesia	9.40	2.02		2019	0.214	Persons	18	3	20	3	3				9	7	1	9		
						Expense		33,548		59,262		8,901	101	1,564		77,214		33,124		
				Cumulative Total	9.562	Persons		707		180		388				365		85		
						Expense		1,185,781		1,250,328		1,565,232	594,258	142,876		3,992,528		830,842		
Fiji	4.50	7.01	-1.11	2019	0.696	Persons	52	21	38	7	15	3			16	23	1	3		
						Expense		150,515		370,353		42,943	176	5,613		111,884		14,958		
				Cumulative Total	30.440	Persons		2,963		1027		1014				589		147		
						Expense		5,939,643		8,298,534		5,424,022	2,385,683	773,178		5,749,052		1,870,347		
Guam				2019		Persons														
						Expense														
				Cumulative Total		Persons						1								
						Expense														
Kiribati	10.71	0.76		2019	0.086	Persons	11	4		1					2	7				0.013
						Expense		20,401		13,226			35	21,058		31,532				
				Cumulative Total	4.976	Persons		666		30		279				59				
						Expense		1,128,329		790,012		2,375,533	158,053	78,213		445,403				
Marshall Islands	9.29	0.99		2019	0.111	Persons	16	3		1	10				5	7	2	1		
						Expense		29,093		10,142		28,702	58			34,297		8,210		
				Cumulative Total	5.350	Persons		476		16		282				243		43		
						Expense		629,315		280,765		1,323,600	137,638	104,154		2,475,107		399,608		
Nauru	8.39	0.06		2019	0.006	Persons	2	1												
						Expense		6,068						299						
				Cumulative Total	0.289	Persons		210		2		11								
						Expense		223,183		10,928		53,094		1,386						
New Caledonia				2019		Persons														
						Expense														
				Cumulative Total	0.002	Persons														
						Expense						1,582								
New Zealand				2019		Persons														
						Expense														
				Cumulative Total	0.278	Persons		6		138		6								
						Expense		1,517		142,331		6,121	127,242	345						
Niue	0.16	0.09		2019	0.013	Persons	6	1												
						Expense		12,607												
				Cumulative Total	0.213	Persons		136												
						Expense		208,379				1,990		2,844						
North Mariana Islands				2019		Persons														
						Expense														
				Cumulative Total	0.002	Persons		1												
						Expense		1,736												
Palau	11.87	2.23	4.22	2019	0.244	Persons	19	2	21	2	7				4	9	3	5		
						Expense		33,845		35,800		96,277	82	2,228		46,106		29,690		
				Cumulative Total	7.785	Persons		447		291		543				202		79		
						Expense		827,709		1,431,165		1,766,056	423,733	320,306		2,136,128		880,396		
Papua New Guinea	20.08	7.63	24.17	2019	0.954	Persons	76	9	68	10	23				12	28		5	8.613	
						Expense		144,496		556,390		76,448	307	454		158,051		17,936		
				Cumulative Total	37.131	Persons		4,461		1349		1,447				704		93		
						Expense		7,005,867		10,043,649		6,727,427	1,947,205	1,509,960		8,193,450		1,703,563		
Samoa	34.01	3.10	-1.83	2019	0.368	Persons	30	2	23	8	3				7	23		1		0.764
						Expense		45,898		172,285		41,967	124	1,150		101,815		4,883		
				Cumulative Total	15.494	Persons		1,342		323		430				554		114		
						Expense		2,639,182		2,657,646		1,800,214	866,979	598,618		5,509,757		1,421,509		
Solomon Islands	1.78	6.24		2019	0.646	Persons	38	6	33	9	50				14	29		5		0.619
						Expense		58,900		238,893		174,552	196	8,816		140,122		24,421		
				Cumulative Total	13.440	Persons		1,220		389		665				433		27		
						Expense		1,879,000		2,982,786		2,799,138	749,138	589,161		4,126,242		314,994		
Tonga	15.23	1.59		2019	0.173	Persons	18	6	15	3	1				14	14	1	2		
						Expense		36,349		54,144		797	120			74,102		7,078		
				Cumulative Total	11.843	Persons		945		224		358				483		82		
						Expense		1,866,864		1,809,856		1,507,332	1,010,934	207,842		4,549,551		890,806		
Tuvalu	3.39	0.14		2019	0.014	Persons	8	2												
						Expense		13,667												
				Cumulative Total	3.127	Persons		401		90		262								
						Expense		579,851		366,318		1,528,783	81,149	570,586						
Vanuatu	2.66	3.08	1.12	2019	0.529	Persons	22	7	27	7	11	4			23	13		4	0.006	0.120
						Expense		48,629		231,213		114,010	155			114,378		20,781		
				Cumulative Total	9.640	Persons		970		265		302				328		74		
						Expense		1,334,504		2,021,512		1,414,838	331,334	250,834		3,319,620		967,705		

Type (¥1 thousand)

4-3 North America and Latin America

Central America and the Caribbean

Region / Country	Grants	Technical Cooperation	Loans		Technical Cooperation Expenses		Training New	Training Ongoing	Experts New	Experts Ongoing	Study Team New	Study Team Ongoing	Provision of Equipment	Other Expenses	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	Disbursements	Grants
Antigua and Barbuda	1.91	0.02		2019	0.006	Persons	3													
						Expense		5,711												
				Cumulative Total	0.970	Persons		128		12		58								
						Expense		279,600		362,454		261,466	36,959	29,390						
Bahamas				2019		Persons														
						Expense														
				Cumulative Total	0.082	Persons		30												
						Expense		63,425				4,177	14,135							

Region / Country	Japan's ODA (2019)			JICA's Technical Cooperation (FY2019)															JICA's F and IC*	JICA's Grants
	Grants (US$1 million)	Technical Cooperation (US$1 million)	Loans (US$1 million)	Technical Cooperation Expenses** (¥1 billion)			Type (¥1 thousand)												Disbursements (FY2019) (¥1 billion)	(FY2019) (¥1 billion)***
							Training Participants**		Experts**		Study Team Members**		Provision of Equipment**	Other Expenses**	JOCVs		Other Volunteers			
							New	Ongoing	New	Ongoing	New	Ongoing			New	Ongoing	New	Ongoing		

4-3 North America and Latin America _ Central America and the Caribbean (Continued)

Barbados		0.04		2019	0.003	Persons	2													
						Expense		3,452												
				Cumulative Total	1.298	Persons		116		72		11								
						Expense		245,337		703,363		54,272	138,292	157,028						
Belize		0.92		2019	0.090	Persons	14	1	1	1					8	13				
						Expense		20,080		13,420		226	82			56,642				
				Cumulative Total	2.554	Persons		317		9						180		11		
						Expense		480,754		154,319		23,498	92,932	43,185		1,660,316		98,533		
Costa Rica	0.52	3.18	14.93	2019	0.325	Persons	62		15	7	5				29	19	2	9	3.029	
						Expense		51,498		87,601		9,551	229	4,831		128,717		42,663		
				Cumulative Total	23.982	Persons		2,366		626		932				634		104		
						Expense		3,694,217		5,335,512		5,003,922	2,086,193	586,882		6,118,305		1,155,924		
Cuba	10.72	3.51		2019	0.555	Persons	65	1	3	5	50	2						1		
						Expense		76,583		309,951		139,164	3,264	24,633				1,492		
				Cumulative Total	8.084	Persons		1073		311		537						1		
						Expense		2,202,560		2,653,174		2,141,564	583,676	500,826				2,306		
Dominica	0.06	0.48		2019	0.057	Persons	4	1			2									1.072
						Expense		8,351		16,649		31,663								
				Cumulative Total	1.680	Persons		158		10		96				41				
						Expense		350,394		371,764		377,760	155,620	25,224		399,626				
Dominican Republic	1.11	4.99	-3.95	2019	0.520	Persons	76	3	36	8	3				21	29	7	12		
						Expense		86,376		224,064		2,929	268	26,659		128,046		51,274		
				Cumulative Total	35.775	Persons		2,223		860		1,257				678		309		
						Expense		4,191,610		9,429,782		6,565,342	2,581,932	1,826,752		7,071,910		4,068,728		
El Salvador	1.74	6.99	-12.35	2019	0.786	Persons	92	4	58	25	31				8	8	1		5.547	
						Expense		83,838		589,309		5,467	70	57,668		46,719		3,292		
				Cumulative Total	27.156	Persons		2,352		968		1,244				550		37		
						Expense		3,484,805		8,501,913		5,926,144	1,743,173	1,906,230		5,236,374		357,625		
Grenada	0.07	0.05		2019	0.005	Persons	2	1												
						Expense		4,619												
				Cumulative Total	1.194	Persons		158		5		95								
						Expense		317,660		304,566		460,890	107,710	2,898						
Guatemala	0.99	4.83	4.06	2019	0.593	Persons	80		26	9	1				25	23		3	2.713	
						Expense		52,782		401,056		3,228	198	1,681		126,894		7,501		
				Cumulative Total	32.027	Persons		2,542		876		1,747				767		35		
						Expense		3,637,073		7,504,637		9,313,055	1,751,261	1,660,296		7,862,961		297,905		
Guyana	2.70	0.13		2019	0.031	Persons	8				2									
						Expense		16,073				15,123								
				Cumulative Total	2.003	Persons		219		28		127						51		
						Expense		524,558		531,271		591,347	100,518	62,251		10,468		182,518		
Haiti	21.99	0.84		2019	0.081	Persons	8		14	3										
						Expense		10,122		56,005		568		14,433						
				Cumulative Total	4.124	Persons		613		131		308								
						Expense		922,646		1,604,652		1,046,031	131,777	418,863						
Honduras	19.50	4.24	0.53	2019	0.504	Persons	66	1	36	14	14				14	24			0.064	1.246
						Expense		79,149		268,791		45,916	147	4,314		105,928				
				Cumulative Total	45.381	Persons		3,183		1,228		1,809				1,253		155		
						Expense		3,816,709		11,551,225		9,433,820	4,277,288	1,348,577		13,093,746		1,859,442		
Jamaica	0.48	1.86	-4.18	2019	0.230	Persons	16	1	3	3					13	17	2	12		
						Expense		26,215		33,757		509	171	700		108,310		60,313		
				Cumulative Total	10.532	Persons		632		145		248				392		73		
						Expense		1,417,720		1,770,600		992,275	811,067	513,697		4,070,730		956,335		
Mexico	0.07	8.68		2019	0.725	Persons	140	4	74	12	12				1	1	3	9		
						Expense		239,743		341,998		74,489	92	18,741		7,154		42,829		
				Cumulative Total	78.080	Persons		7,502		2,649		2,771				237		204		
						Expense		22,399,486		24,244,828		12,659,459	10,302,263	2,514,117		2,834,351		2,886,847		
Montserrat				2019		Persons														
						Expense														
				Cumulative Total	0.007	Persons		1												
						Expense		529					6,144							
Netherlands Antilles Curacao				2019		Persons														
						Expense														
				Cumulative Total	0.006	Persons		1		1										
						Expense		3,004		2,091			1,329							
Nicaragua	5.72	6.03	4.67	2019	0.671	Persons	61	1	19	16	5				2	1	1		0.136	
						Expense		101,711		412,005		41,283	540	107,232		5,885		2,605		
				Cumulative Total	27.251	Persons		2,174		677		1,331				604		56		
						Expense		3,547,880		6,856,239		6,988,808	1,503,199	1,406,879		6,385,117		563,344		
Panama		2.44	-9.60	2019	1.441	Persons	39		1	4	9	1			8	14	1	1		
						Expense		30,220		53,640		1,281,846	93	760		68,197		6,527		
				Cumulative Total	33.050	Persons		2,014		720		1,407				432		118		
						Expense		3,623,720		8,180,695		9,626,876	4,046,137	1,177,956		4,925,377		1,468,807		
Puerto Rico				2019		Persons														
						Expense														
				Cumulative Total	0.002	Persons		1		1										
						Expense		982		934				115						
Saint Christopher and Nevis	0.16	0.02		2019	0.008	Persons	4													
						Expense		7,718												
				Cumulative Total	0.526	Persons		101		2		46								
						Expense		202,789		6,262		158,766	43,731	114,057						
Saint Lucia	1.83	1.68		2019	0.236	Persons	13	1	1	2	2				27	6				0.633
						Expense		22,387		31,610		99,746	128	309		81,560				
				Cumulative Total	3.743	Persons		254		27		118				246		16		
						Expense		541,794		621,731		617,759	58,537	99,672		1,612,237		190,997		
St. Vincent and the Grenadines	3.70	0.34		2019	0.032	Persons	8	1								4				
						Expense		14,547		4,951			16			12,205				
				Cumulative Total	1.867	Persons		187		15		79				54				
						Expense		457,836		462,289		312,161	71,770	8,384		554,545				

4-3 North America and Latin America _ Central America and the Caribbean (Continued)

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Japan's ODA (2019) Technical Cooperation (US$1 million)	Japan's ODA (2019) Loans (US$1 million)	Technical Cooperation Expenses** (¥1 billion)			Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
Suriname	3.75			2019	0.003	Persons	2													
						Expense		3,394												
				Cumulative Total	0.767	Persons		126		8		66								
						Expense		293,708		214,831		250,224	4,225	4,404						
Trinidad and Tobago		0.03		2019	0.004	Persons	3													
						Expense		4,311												
				Cumulative Total	3.301	Persons		173		70		142								
						Expense		405,778		1,829,002		640,015	413,255	12,937						

South America

Region / Country	Grants	Technical Cooperation	Loans		Technical Cooperation Expenses		Training New	Training Ongoing	Experts New	Experts Ongoing	Study Team New	Study Team Ongoing	Provision of Equipment	Other Expenses	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	Disbursements	JICA's Grants
Argentina	0.17	4.10	-16.19	2019	0.470	Persons	101	5	28	4	1						19	25		
						Expense		122,387		151,833		35,597	171	4,417				155,882		
				Cumulative Total	50.063	Persons		4,072		1,416		1,694				21		389		
						Expense		9,676,409		13,711,323		10,211,652	7,867,892	2,859,018		802,789		4,247,609		
Bolivia	13.68	7.59	0.76	2019	0.652	Persons	73	2	22	12	4	1			31	42	2	5	0.193	1.402
						Expense		91,778		300,107		14,416	311	17,798		211,731		15,638		
				Cumulative Total	75.234	Persons		6,186		1,535		2,724				1,076		188		
						Expense		8,694,401		20,818,602		16,406,965	8,979,551	6,502,345		10,957,155		2,474,862		
Brazil	5.05	12.14	-46.48	2019	1.133	Persons	232	12	12	9	27						49	89	4.077	
						Expense		330,615		215,432		108,494	653	28,177				449,163		
				Cumulative Total	120.154	Persons		12,036		3,337		4,002				49		873		
						Expense		30,941,593		30,913,200		18,636,358	15,675,685	10,416,366		1,373,673		9,962,011		
Chile	0.41	2.28	-0.93	2019	0.378	Persons	27	2	14	3	4					6	1	4		
						Expense		48,146		275,047		5,079	43	12,999		16,637		20,314		
				Cumulative Total	44.035	Persons		3,548		1,422		1,879				201		105		
						Expense		7,295,723		14,602,727		10,131,496	7,880,558	574,696		2,293,054		1,181,522		
Colombia	6.56	4.70		2019	0.511	Persons	123	1	3	11	5				16	12	1	15		
						Expense		120,169		214,992		5,317	171	12,502		88,262		69,386		
				Cumulative Total	34.714	Persons		5,329		704		1,694				306		133		
						Expense		8,716,596		6,865,238		10,446,157	3,135,839	713,433		3,185,232		1,624,525		
Ecuador	7.85	10.92	-4.54	2019	0.546	Persons	58	1	22	7	3				10	47	2	5		
						Expense		78,710		173,726		85,733	248	3,965		182,449		21,131		
				Cumulative Total	27.889	Persons		2,301		539		1,327				628		95		
						Expense		3,553,709		6,195,700		7,978,606	2,362,902	451,597		6,461,209		885,738		
Paraguay	6.03	6.52	13.91	2019	0.808	Persons	52	3	15	10	9	1			26	38	7	14	4.884	1.285
						Expense		68,256		259,178		198,636	1,461	17,269		191,397		71,787		
				Cumulative Total	89.745	Persons		4,332		2,018		2,707				1,281		375		
						Expense		10,277,185		27,962,514		13,172,940	13,056,560	6,736,111		13,019,229		4,897,424		
Peru	1.31	8.21	-23.01	2019	1.049	Persons	68	3	52	5	23				26	40	4	5	2.254	
						Expense		77,811		375,752		343,948	291	35,067		186,095		30,171		
				Cumulative Total	58.509	Persons		7,346		1,503		2,815				491		58		
						Expense		14,971,524		13,542,541		15,662,665	6,929,899	3,665,684		3,105,054		578,619		
Uruguay	0.39	0.59		2019	0.056	Persons	12			1							1	7		
						Expense		8,629		15,157		64	31	876				30,922		
				Cumulative Total	15.625	Persons		1,570		455		589				3		162		
						Expense		3,128,467		4,660,311		2,354,145	2,925,417	351,334		104,649		2,100,298		
Venezuela	0.25	0.23		2019	0.014	Persons	2													
						Expense		2,037						11,584						
				Cumulative Total	10.778	Persons		1,669		265		578				105				
						Expense		2,882,575		2,665,716		3,365,381	764,240	135,134		961,843				

North America

Region / Country	Grants	Technical Cooperation	Loans		Technical Cooperation Expenses		Training New	Training Ongoing	Experts New	Experts Ongoing	Study Team New	Study Team Ongoing	Provision of Equipment	Other Expenses	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	Disbursements	JICA's Grants
Canada				2019	0.003	Persons	4													
						Expense		3,163												
				Cumulative Total	0.581	Persons		146		13		25								
						Expense		138,267		205,908		38,995	22,128	142,001						
United States of America				2019		Persons														
						Expense														
				Cumulative Total	1.903	Persons		11		71		166								
						Expense		1,295		539,625		650,056	136,945	575,571						

4-4 Middle East

Region / Country	Grants	Technical Cooperation	Loans		Technical Cooperation Expenses		Training New	Training Ongoing	Experts New	Experts Ongoing	Study Team New	Study Team Ongoing	Provision of Equipment	Other Expenses	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	Disbursements	JICA's Grants
Algeria	0.23	0.23	-0.74	2019	0.030	Persons	15	4												
						Expense		24,336		50				5,497						
				Cumulative Total	7.789	Persons		875		404		418								
						Expense		2,227,757		1,849,611		1,790,473	1,618,435	302,578						
Bahrain				2019	0.000	Persons														
						Expense						33								
				Cumulative Total	1.368	Persons		241		30		6								
						Expense		530,070		772,282		5,777	52,558	6,817						
Egypt	13.99	25.16	122.37	2019	2.075	Persons	181	29	168	30	55				11	14	2	3	30.513	0.423
						Expense		258,539		1,423,978		262,767	8,620	40,766		68,666		11,588		
				Cumulative Total	86.423	Persons		11,473		3,638		5,679				267		41		
						Expense		15,960,484		26,976,645		26,774,646	9,191,831	4,563,615		2,619,869		335,970		
Iran	5.81	11.17	-4.81	2019	0.828	Persons	66	1	51	7	45						1			
						Expense		69,198		428,449		318,536	4	8,955				2,381		
				Cumulative Total	30.673	Persons		3,760		1,457		2,297						1		
						Expense		6,564,869		8,999,526		11,137,665	2,910,639	1,047,195		10,923		2437		
Iraq	51.10	6.44	154.22	2019	0.672	Persons	396	10	7	3	1								29.048	
						Expense		312,302		57,552		2,395	24,608	275,004						
				Cumulative Total	22.017	Persons		10,458		264		891								
						Expense		8,548,578		2,809,163		5,401,505	1,110,643	4,147,357						
Israel				2019		Persons														
						Expense														
				Cumulative Total	0.046	Persons		27		2		33								
						Expense		16,423		5,950		23,493								

4-4 Middle East (Continued)

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Japan's ODA (2019) Technical Cooperation (US$1 million)	Japan's ODA (2019) Loans (US$1 million)		JICA's Technical Cooperation (FY2019) Technical Cooperation Expenses** (¥1 billion)		Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
Jordan	30.43	7.37	48.64	2019	0.724	Persons	91		40	21	22				23	28	1		22.197	1.703
						Expense		91,744		384,227		88,337	333	7,202		145,843		5,868		
				Cumulative Total	38.041	Persons		2,941		1,091		1,909				622		206		
						Expense		3,971,801		10,265,857		8,731,581	4,287,611	2,188,435		6,030,541		2,565,144		
Kuwait		0.01		2019	0.001	Persons					1									
						Expense						1,025								
				Cumulative Total	0.963	Persons		205		35		2								
						Expense		378,882		489,426		42,996	43,565	7,997						
Lebanon	10.37	0.44	-6.39	2019	0.033	Persons	6				1									
						Expense		9,068				10,364		14,030						
				Cumulative Total	1.903	Persons		271		17		230								
						Expense		435,254		205,097		1,218,976	17,350	26,819						
Libya	3.21	0.02		2019	0.002	Persons		1												
						Expense		2,095												
				Cumulative Total	0.218	Persons		126		10		20								
						Expense		179,742		10,764		25,199	130	2,124						
Morocco	1.04	4.88	-65.40	2019	0.447	Persons	41	30	4	6	10				7	21		6	5.475	
						Expense		87,107		92,355		147,276	135	7,104		85,039		28,482		
				Cumulative Total	40.673	Persons		1,827		712		1,986				1,010		155		
						Expense		4,172,390		8,855,870		12,227,647	2,998,416	918,713		9,665,303		1,834,977		
Oman		0.04		2019	0.004	Persons					3									
						Expense						912		3,217						
				Cumulative Total	14.401	Persons		618		185		1,313								
						Expense		1,334,859		3,628,786		8,873,882	467,697	95,498						
Palestine	44.05	7.92		2019	0.830	Persons	119	2	56	15	10									1.955
						Expense		89,337		617,444		107,781		15,834						
				Cumulative Total	17.543	Persons		6,414		1007		684								
						Expense		3,779,153		7,264,125		3,219,917	681,779	2,598,200						
Qatar				2019		Persons														
						Expense														
				Cumulative Total	1.106	Persons		116		37		33								
						Expense		244,744		531,139		268,632	22,987	38,549						
Saudi Arabia		0.52		2019	0.062	Persons	13			2										
						Expense		5,662		26,936		414		29,320						
				Cumulative Total	21.654	Persons		2,111		818		1,188								
						Expense		4,176,364		9,496,912		4,366,251	3,039,539	575,031						
Syria	65.33	3.73		2019	0.491	Persons	12	39												
						Expense		264,426				220,090		6,648						
				Cumulative Total	31.205	Persons		2,445		664		1,410				568		112		
						Expense		4,373,468		5,776,485		7,586,947	3,602,375	2,362,502		6,142,494		1,360,442		
Tunisia	0.71	4.85	96.59	2019	0.566	Persons	62	17	19	3	31				6				15.708	
						Expense		101,131		241,780		209,957	23	1,539		11,600				
				Cumulative Total	28.101	Persons		1,641		709		1,539				358		158		
						Expense		3,357,871		6,290,403		8,947,613	2,636,992	1,200,663		3,682,095		1,984,960		
United Arab Emirates		0.02		2019	0.005	Persons			5											
						Expense				3,935		664								
				Cumulative Total	3.786	Persons		197		150		248								
						Expense		299,480		1,893,359		1,314,972	210,747	67,800						
Yemen	59.97	0.39		2019	0.060	Persons	64	1												
						Expense		47,321					486	11,903						
				Cumulative Total	11.108	Persons		1,881		319		659				68				
						Expense		1,928,316		3,171,176		2,981,443	1,686,389	786,544		553,984				

4-5 Africa

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Japan's ODA (2019) Technical Cooperation (US$1 million)	Japan's ODA (2019) Loans (US$1 million)		JICA's Technical Cooperation (FY2019) Technical Cooperation Expenses** (¥1 billion)		Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
Angola	5.90	2.77		2019	0.351	Persons	44	1	15	8	27	2								
						Expense		44,614		230,665		74,722		1,326						
				Cumulative Total	7.657	Persons		1,865		251		568								
						Expense		943,680		2,489,264		3,742,373	26,228	455,573						
Benin	5.11	5.44		2019	0.733	Persons	27	7	25	6	19				21	46				0.999
						Expense		56,331		264,830		173,557	21,579	17,197		199,423				
				Cumulative Total	10.211	Persons		1,365		199		391				333				
						Expense		1,806,177		2,495,164		2,587,212	162,700	380,366		2,779,280				
Botswana	0.72	3.16	-1.28	2019	0.336	Persons	30	7	3	1	3	1			33	11			0.701	
						Expense		50,822		165,605		1,917	171	530		116,525				
				Cumulative Total	9.326	Persons		1,083		233		274				367		43		
						Expense		1,487,189		1,941,102		1,444,761	256,861	159,451		3,526,535		510,054		
Burkina Faso	18.09	6.07		2019	0.542	Persons	61	9	14	12	7					17				2.023
						Expense		102,917		314,557		74,676	75	13,605		36,373				
				Cumulative Total	19.435	Persons		1,422		504		918				400				
						Expense		2,320,856		5,690,513		6,015,396	504,314	1,386,513		3,516,975				
Burundi	10.83	0.82		2019	0.100	Persons	25	6	3		2									
						Expense		43,507		31,977		1,137	83	23,706						
				Cumulative Total	4.926	Persons		770		127		370				12				
						Expense		928,772		1,086,523		2,022,734	226,603	613,561		47,960				
Cameroon	8.02	9.07	16.87	2019	0.628	Persons	38	15	77	12	3				13	22	1	1	1.855	
						Expense		80,575		431,524		1,433	226	4,319		102,401		7,431		
				Cumulative Total	11.776	Persons		1,306		433		484				159		8		
						Expense		2,300,442		3,863,597		3,122,149	717,143	189,832		1,501,405		81,563		
Cape Verde	6.25	0.09	2.17	2019	0.008	Persons	13	1											0.318	
						Expense		8,111												
				Cumulative Total	2.461	Persons		400		12		289								
						Expense		439,660		375,316		1,200,524	126,419	319,223						
Central African Republic	5.71	0.10		2019	0.011	Persons	6	1												
						Expense		11,232												
				Cumulative Total	2.823	Persons		243		9		223								
						Expense		588,400		369,622		1,400,958	451,204	13,254						

4-5 Africa (Continued)

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Japan's ODA (2019) Technical Cooperation (US$1 million)	Japan's ODA (2019) Loans (US$1 million)		Technical Cooperation Expenses** (¥1 billion)		Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
Chad	5.55	0.23		2019	0.026	Persons	18	2												
						Expense		25,784						472						
				Cumulative Total	1.028	Persons		348		5		43								
						Expense		564,889		136,736		225,987	58,402	42,184						
Comoros	3.36	0.20		2019	0.022	Persons	12	2												
						Expense		21,865						299						
				Cumulative Total	1.421	Persons		245		48		42								
						Expense		401,587		596,078		213,466	139,641	70,032						
Congo	2.24	0.89		2019	0.088	Persons	7	5	1			1								
						Expense		17,467		28,809		41,342								
				Cumulative Total	1.317	Persons		214		4		140								
						Expense		326,911		30,386		889,504	60,176	10,055						
Côte d'Ivoire	25.55	13.01	14.22	2019	0.675	Persons	79	10	68	12	27	8							1.456	0.721
						Expense		211,711		296,965		163,518		2,745						
				Cumulative Total	20.875	Persons		11,369		572		1,174				173				
						Expense		3,983,487		5,743,461		6,855,652	933,187	1,078,628		2,280,540				
Democratic Republic of the Congo	20.64	6.64		2019	1.210	Persons	61	12	81	9	4	1								
						Expense		98,932		932,691		70,146		107,907						
				Cumulative Total	19.616	Persons		24,737		604		911								
						Expense		3,930,232		7,946,868		5,452,607	1,335,989	950,718						
Djibouti	37.54	6.46		2019	0.712	Persons	41	6	22	3	45				4	10				0.350
						Expense		74,453		262,680		320,921	54	787		52,662				
				Cumulative Total	7.281	Persons		645		153		616				148				
						Expense		1,149,097		1,068,655		3,103,252	140,055	473,171		1,346,295				
Equatorial Guinea		0.09		2019	0.012	Persons	3	3												
						Expense		11,992												
				Cumulative Total	0.381	Persons		98		1										
						Expense		290,821		54,983		4,369	29,240	1,657						
Eritrea	6.25	0.93		2019	0.102	Persons	14	4	6		5									
						Expense		24,464		33,278		43,800								
				Cumulative Total	2.816	Persons		328		47		183								
						Expense		589,672		628,331		909,626	400,637	287,476						
Eswatini	6.10	0.43	-1.85	2019	0.061	Persons	24	2			1					4		1		
						Expense		34,472				423	19			22,549		3,140		
				Cumulative Total	4.712	Persons		1,367		64		259				4		4		
						Expense		1,285,806		876,569		1,962,150	251,606	258,388		53,315		24,268		
Ethiopia	34.11	19.15	14.15	2019	1.905	Persons	105	31	138	37	83	10			8	30			1.543	2.780
						Expense		184,555		1,229,948		345,908	1,172	23,166		120,002				
				Cumulative Total	52.117	Persons		3,267		1,964		2,311				726		40		
						Expense		6,307,729		18,812,817		13,063,238	3,536,322	3,611,788		6,452,227		332,392		
Gabon	1.81	3.68	-0.49	2019	0.430	Persons	29	2	4	5	7				8	18	3	9		
						Expense		44,482		193,305			147	56,322		93,564		42,385		
				Cumulative Total	6.182	Persons		629		127		213				161		15		
						Expense		993,033		1,705,676		1,294,287	229,275	218,539		1,516,037		225,544		
Gambia	3.28	0.97		2019	0.124	Persons	10	8												
						Expense		31,007				92,690	83							
				Cumulative Total	3.255	Persons		379		12		244								
						Expense		755,525		417,485		1,367,018	488,247	226,246						
Ghana	30.24	17.89		2019	1.936	Persons	118	10	54	29	10				35	41		2	0.120	1.848
						Expense		165,582		1,283,627		157,230	303	99,653		222,460		6,768		
				Cumulative Total	62.537	Persons		4,736		2,032		1,984				1,404		33		
						Expense		9,308,626		20,167,468		9,804,572	4,816,720	4,415,764		13,693,219		331,052		
Guinea	14.30	2.01		2019	0.200	Persons	30	3	1	3	13									0.314
						Expense		55,915		83,239		45,519		15,226						
				Cumulative Total	8.795	Persons		829		59		794								
						Expense		1,526,245		1,262,373		4,672,203	815,925	518,546						
Guinea-Bissau	4.95	0.19		2019	0.018	Persons	9	4												
						Expense		17,485					83							
				Cumulative Total	0.975	Persons		197		11		81								
						Expense		358,574		191,542		369,766	29,413	26,000						
Kenya	19.02	28.66	166.17	2019	4.618	Persons	186	40	119	44	70	4			23	37		6	18.507	
						Expense		260,185		1,981,955		2,092,516	951	71,806		191,724		19,251		
				Cumulative Total	133.819	Persons		14,624		4,271		4,880				1,679		49		
						Expense		18,273,492		51,431,829		30,321,057	12,179,093	5,410,644		15,815,978		387,210		
Lesotho	4.01	0.58		2019	0.078	Persons	21	6			2					1		1		
						Expense		44,188				22,880	8	4,579		3,300		3,176		
				Cumulative Total	1.427	Persons		793				74				1		4		
						Expense		844,528		307		295,217	182,332	64,103		20,971		19,226		
Liberia	23.76	1.80		2019	0.153	Persons	49	5	1	2										1.659
						Expense		97,643		32,853		201	321	21,543						
				Cumulative Total	6.468	Persons		718		85		228				170				
						Expense		1,512,747		987,355		1,650,967	451,468	201,494		1,663,981				
Madagascar	10.53	8.72	13.39	2019	0.837	Persons	63	12	38	17	22	5			20	32	1		1.255	1.042
						Expense		88,544		437,966		145,281	206	9,586		153,655		2,020		
				Cumulative Total	22.763	Persons		1,270		605		1,294				210		1		
						Expense		2,512,549		8,341,399		6,997,231	1,697,239	1,346,999		1,865,677		2,020		
Malawi	40.21	10.75		2019	1.016	Persons	137	15	48	17	22	2			16	58				0.080
						Expense		171,239		614,828		32,048	666	8,816		188,156				
				Cumulative Total	47.970	Persons		3,584		1,079		1,440				1,837		50		
						Expense		5,857,047		12,537,757		7,934,760	2,611,189	1,825,516		16,759,315		444,291		
Mali	7.09	1.51		2019	0.195	Persons	608	1	8		8									
						Expense		74,827		60,883		58,969		436						
				Cumulative Total	10.734	Persons		2,210		57		867				11				
						Expense		1,436,170		634,669		8,093,635	152,119	295,997		120,676		837		
Mauritania	8.47	0.65		2019	0.046	Persons	7	3			4	1								
						Expense		12,917		33,111										
				Cumulative Total	7.012	Persons		714		48		729								
						Expense		1,084,693		960,069		4,673,367	259,383	34,547						

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Technical Cooperation (US$1 million)	Loans (US$1 million)	JICA's Technical Cooperation (FY2019)	Technical Cooperation Expenses** (¥1 billion)		Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
4-5 Africa (Continued)																				
Mauritius	3.84	0.19	-2.97	2019	0.095	Persons	19	1	23		1								0.823	
						Expense		22,883		67,905		397		3,560						
				Cumulative Total	6.265	Persons		576		127		493								
						Expense		918,044		2,376,423		2,478,177	363,406	129,309						
Mozambique	19.51	18.32	53.80	2019	1.867	Persons	196	38	133	50	56	5			16	35		3	5.767	6.995
						Expense		260,413		939,438		476,844	448	18,560		157,086		14,290		
				Cumulative Total	32.993	Persons		16,719		1,874		1,851				317		15		
						Expense		3,728,798		13,114,620		10,255,308	801,123	2,045,073		2,859,278		188,516		
Namibia	1.73	1.87	-8.61	2019	0.167	Persons	62	4	1	2	1				8	13				
						Expense		41,377		60,852		997	82	387		63,077				
				Cumulative Total	6.007	Persons		1,535		121		301				146				
						Expense		1,087,869		1,180,683		1,921,223	195,554	311,703		1,309,966				
Niger	11.51	1.86		2019	0.190	Persons	32	5	32	7										1.194
						Expense		60,966		113,063		14,299		1,255						
				Cumulative Total	21.787	Persons		1,117		270		827				694				
						Expense		1,964,483		4,278,533		5,692,458	1,203,455	834,806		7,812,803				
Nigeria	6.97	8.07		2019	0.502	Persons	92	19	20	10										3.871
						Expense		177,724		235,156		68,046	4	20,788						
				Cumulative Total	22.036	Persons		6,968		672		1,151								
						Expense		5,261,767		6,993,693		7,158,673	1,812,096	808,495						
Rwanda	13.52	9.86	55.26	2019	1.117	Persons	39	23	60	16	42	4			19	37			5.917	2.020
						Expense		100,869		616,162		204,901	348	32,118		162,881				
				Cumulative Total	18.197	Persons		1,374		874		727				303		4		
						Expense		2,728,695		7,061,791		3,611,309	489,795	1,698,355		2,580,481		26,224		
Sao Tome and Principe	1.93	0.16		2019	0.018	Persons	13	3												
						Expense		18,213												
				Cumulative Total	0.855	Persons		298		6		48								
						Expense		385,165		150,474		242,081	72,816	4,896						
Senegal	11.18	16.48	1.19	2019	1.728	Persons	71	38	101	24	26	1			23	42	1	3	0.282	1.528
						Expense		158,542		1,195,517		161,177	351	15,702		186,759		9,823		
				Cumulative Total	54.838	Persons		4,587		1,241		2,274				1,151		29		
						Expense		5,464,886		17,216,302		13,529,732	3,183,115	3,695,928		11,582,459		165,954		
Seychelles	0.01	0.08		2019	0.006	Persons	4	3												
						Expense		6,478												
				Cumulative Total	1.952	Persons		373		14		149								
						Expense		881,826		257,752		678,235	56,767	77,312						
Sierra Leone	11.69	7.26		2019	0.638	Persons	43	7	10	8	15									
						Expense		90,036		468,438		51,810	239	27,115						
				Cumulative Total	8.930	Persons		698		540		216								
						Expense		1,389,023		4,582,368		1,461,938	261,785	1,234,479						
Somalia	13.19	1.19		2019	0.302	Persons	39	3	6	2										
						Expense		27,180		264,284				10,730						
				Cumulative Total	1.454	Persons		219		42		51								
						Expense		407,585		660,146		247,807	106,032	32,277						
South Africa	2.69	8.18	-0.86	2019	0.770	Persons	62	31	50	23	14				8	5	1	5		
						Expense		112,391		535,536		40,871	78	15,785		41,191		24,630		
				Cumulative Total	16.586	Persons		1,959		740		912				116		23		
						Expense		3,934,405		5,560,409		4,416,655	521,186	982,190		991,558		179,866		
South Sudan	49.47	6.72		2019	0.495	Persons	57	10	31	2	2									1.470
						Expense		87,582		312,111		69,531		25,479						
				Cumulative Total	10.679	Persons		637		619		491								
						Expense		901,283		4,980,736		4,279,787	271,690	245,062						
Sudan	20.14	8.25		2019	0.982	Persons	101	12	49	23	15	9				21				
						Expense		163,432		489,016		276,408	82	14,903		38,331				
				Cumulative Total	25.830	Persons		3,713		1,377		1,093				95		1		
						Expense		3,986,318		10,322,212		5,062,645	2,541,563	3,251,987		663,758		1,799		
Tanzania	15.16	19.98	19.82	2019	2.167	Persons	120	22	95	32	77				36	58	2	3	2.797	1.875
						Expense		177,172		1,352,690		333,252	706	21,548		269,082		12,276		
				Cumulative Total	96.044	Persons		22,036		2,353		3,956				1,671		9		
						Expense		13,900,514		32,729,242		22,172,276	7,093,116	4,879,670		15,215,148		53,844		
Togo	17.52	0.78		2019	0.088	Persons	32	7		1										
						Expense		68,692		19,065										
				Cumulative Total	2.744	Persons		589		9		212								
						Expense		857,427		184,068		1,617,912	27,603	55,733		1,465				
Uganda	31.48	13.96	19.99	2019	1.369	Persons	87	18	87	32	22	7			25	42	1	2	2.205	0.559
						Expense		133,475		915,045		39,176	75,074	11,713		183,770		10,801		
				Cumulative Total	35.006	Persons		3,572		1,066		1,516				745		23		
						Expense		4,753,300		12,304,341		9,056,630	1,896,216	1,994,790		4,821,312		179,105		
Zambia	23.70	14.00	6.90	2019	1.268	Persons	104	30	50	30	32	6			22	71	1	12	0.682	
						Expense		173,602		611,424		106,307	2,048	37,275		276,756		60,207		
				Cumulative Total	66.744	Persons		4,300		1,428		2,183				1,512		95		
						Expense		8,099,023		22,346,750		11,655,305	5,820,381	2,969,903		14,739,429		1,113,101		
Zimbabwe	21.97	1.79		2019	0.243	Persons	53	13	6	3	4				8	5				
						Expense		100,026		110,535		1,735	50	2,499		28,130				
				Cumulative Total	19.941	Persons		2,053		113		895				552				
						Expense		3,557,748		2,437,406		5,767,391	1,079,149	406,285		6,693,425				
4-6 Europe																				
Albania	0.63	3.40	-5.17	2019	0.267	Persons	30	1	13		16								0.104	
						Expense		35,862		164,127		62,435		4,859						
				Cumulative Total	3.854	Persons		558		131		275								
						Expense		1,054,223		741,564		1,617,720	280,007	160,562						
Austria				2019		Persons														
						Expense														
				Cumulative Total	0.525	Persons				12		4								
						Expense				475,498		12,230	30,756	6,347						

4-6 Europe (Continued)

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Japan's ODA (2019) Technical Cooperation (US$1 million)	Japan's ODA (2019) Loans (US$1 million)		Technical Cooperation Expenses** (¥1 billion)		Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
Belarus	0.23	0.04		2019		Persons														
						Expense														
				Cumulative Total		Persons														
						Expense														
Belgium				2019		Persons														
						Expense														
				Cumulative Total	0.238	Persons				10		7								
						Expense				199,329		30,119		8,061						
Bosnia and Herzegovina	1.04	0.82	18.12	2019	0.082	Persons	29			1	1	6							2.076	
						Expense		24,455		21,794		28,128		7,781						
				Cumulative Total	7.219	Persons		830		106		558								
						Expense		1,445,541		1,422,371		3,198,810	341,081	810,766						
Bulgaria			-14.61	2019		Persons														
						Expense														
				Cumulative Total	11.280	Persons		842		243		617				253		2		
						Expense		1,711,194		2,052,834		3,115,803	913,402	195,132		3,286,378		5,468		
Croatia				2019		Persons														
						Expense														
				Cumulative Total	1.108	Persons		148		140		73								
						Expense		328,870		322,609		415,810	17,185	23,898						
Cyprus				2019		Persons														
						Expense														
				Cumulative Total	0.093	Persons		30												
						Expense		92,652												
Czechoslovakia				2019		Persons														
						Expense														
				Cumulative Total	0.596	Persons		139		3		33								
						Expense		438,033		8,169		149,334	684							
Czech Republic				2019		Persons														
						Expense														
				Cumulative Total	0.579	Persons		185		11		1								
						Expense		354,012		149,349		4,392	65,691	5,283						
Denmark				2019		Persons														
						Expense														
				Cumulative Total	0.035	Persons						6								
						Expense				1,743		12,515		20,947						
Estonia				2019		Persons														
						Expense														
				Cumulative Total	0.129	Persons		75												
						Expense		128,557												
Finland				2019		Persons														
						Expense														
				Cumulative Total	0.005	Persons						5								
						Expense						5,294								
France				2019		Persons														
						Expense														
				Cumulative Total	1.124	Persons		1		32		263								
						Expense				208,295		493,788	6,146	309,758		106,442				
Germany				2019		Persons														
						Expense														
				Cumulative Total	0.138	Persons		1		2		28								
						Expense				23,941		95,620		18,909						
Greece				2019		Persons														
						Expense														
				Cumulative Total	0.348	Persons		27		8		41								
						Expense		138,081		7,559		172,239	26,005	4,040						
Hungary				2019		Persons														
						Expense														
				Cumulative Total	7.697	Persons		800		103		375				138				
						Expense		1,646,968		1,122,749		2,234,854	735,270	21,416		1,935,855				
Iceland				2019		Persons														
						Expense														
				Cumulative Total	0.003	Persons														
						Expense						369		2,861						
Ireland				2019		Persons														
						Expense														
				Cumulative Total	0.000	Persons						2								
						Expense						1								
Italy				2019		Persons														
						Expense														
				Cumulative Total	0.111	Persons				1		8								
						Expense				14,221		29,785	63,000	4,048						
Kosovo	2.74	1.42		2019	0.340	Persons	49	1	15	5	2									
						Expense		47,792		288,009		853	26	3,650						
				Cumulative Total	2.463	Persons		474		204		48								
						Expense		614,983		1,149,854		511,481	107,949	79,136						
Latvia				2019		Persons														
						Expense														
				Cumulative Total	0.431	Persons		76		6		50								
						Expense		137,998		21,952		270,103	1,299							
Lithuania				2019		Persons														
						Expense														
				Cumulative Total	1.112	Persons		114		10		105								
						Expense		141,127		83,729		844,369	42,642							
Luxembourg				2019		Persons														
						Expense														
				Cumulative Total	0.003	Persons														
						Expense						1,595		925						

4-6 Europe (Continued)

Region / Country	Japan's ODA (2019) Grants (US$1 million)	Technical Cooperation (US$1 million)	Loans (US$1 million)		JICA's Technical Cooperation (FY2019) Technical Cooperation Expenses** (¥1 billion)		Type (¥1 thousand) Training Participants** New	Training Participants** Ongoing	Experts** New	Experts** Ongoing	Study Team Members** New	Study Team Members** Ongoing	Provision of Equipment**	Other Expenses**	JOCVs New	JOCVs Ongoing	Other Volunteers New	Other Volunteers Ongoing	JICA's F and IC* Disbursements (FY2019) (¥1 billion)	JICA's Grants (FY2019) (¥1 billion)***
Malta				2019		Persons														
						Expense														
				Cumulative Total	0.399	Persons		77		18		16								
						Expense		252,433		94,536		44,178	5,082	2,614						
Moldova	0.76	0.20		2019	0.023	Persons	8	1	3		3									
						Expense		10,513		9,029		1,296		1,708						
				Cumulative Total	2.506	Persons		415		38		204								
						Expense		660,281		297,393		1,236,310	236,058	75,706						
Monaco				2019		Persons														
						Expense														
				Cumulative Total	0.002	Persons						2								
						Expense						2,430								
Montenegro	0.18	0.09		2019	0.012	Persons	6													
						Expense		5,914		6,209				332						
				Cumulative Total	0.882	Persons		121		3		34								
						Expense		198,302		17,357		528,201	85,319	52,386						
Netherlands				2019		Persons														
						Expense														
				Cumulative Total	0.019	Persons		7				10								
						Expense						13,552		5,226						
North Macedonia	0.84	2.69	-4.80	2019	0.023	Persons	16		28	1	2									0.080
						Expense		16,621		152		2,563		3,664						
				Cumulative Total	5.011	Persons		548		117		388								
						Expense		1,188,760		862,660		2,610,071	127,066	222,551						
Norway				2019		Persons														
						Expense														
				Cumulative Total	0.016	Persons						5								
						Expense				54		12,997		3,105						
Poland				2019		Persons														
						Expense														
				Cumulative Total	8.993	Persons		830		287		593				106		1		
						Expense		1,672,727		1,909,527		2,957,573	952,167	58,409		1,427,106		15,346		
Portugal				2019		Persons														
						Expense														
				Cumulative Total	0.210	Persons		9				41								
						Expense		32,561				177,386								
Romania			-27.57	2019		Persons													0.286	
						Expense														
				Cumulative Total	10.073	Persons		988		178		617				118				
						Expense		2,180,743		1,635,042		3,473,268	1,055,305	267,968		1,460,286				
Russia				2019		Persons														
						Expense														
				Cumulative Total	0.130	Persons		2		4		8								
						Expense		23		802		4,746	124,223							
Serbia	0.41	2.45	24.10	2019	0.385	Persons	24		29	9	1	4			5	1		2	2.673	
						Expense		24,801		265,360		58,836	35	9,396		19,132		7,939		
				Cumulative Total	5.641	Persons		779		453		334				6		18		
						Expense		1,303,705		2,466,637		983,001	451,188	270,348		20,712		145,440		
Slovakia				2019		Persons														
						Expense														
				Cumulative Total	1.487	Persons		349		23		110								
						Expense		629,676		101,547		720,011	35,681							
Slovenia				2019		Persons														
						Expense														
				Cumulative Total	0.475	Persons		92		7		40								
						Expense		157,844		158,342		150,060	8,533							
Soviet Union				2019		Persons														
						Expense														
				Cumulative Total	0.133	Persons				34										
						Expense				38,074			94,730							
Spain				2019		Persons														
						Expense														
				Cumulative Total	0.008	Persons				3		2								
						Expense				25		6,950		735						
Sweden				2019		Persons														
						Expense														
				Cumulative Total	0.034	Persons				2		7								
						Expense				7,150		21,412		5,032						
Switzerland				2019		Persons														
						Expense														
				Cumulative Total	0.431	Persons				38		44								
						Expense				249,678		126,672	3,384	51,067						
Turkey	9.56	1.71	-95.68	2019	0.158	Persons	66			1	9								8.227	
						Expense		67,886		9,760		75,917		4,887						
				Cumulative Total	46.655	Persons		5,369		1,580		2,428				2		72		
						Expense		9,529,091		13,973,202		14,101,798	6,864,444	1,327,740		80,664		778,035		
Ukraine	5.65	2.31	-7.40	2019	0.334	Persons	35	1	13	4	2								0.117	
						Expense		49,260		194,170		70,126		20,320						
				Cumulative Total	5.475	Persons		867		120		619								
						Expense		997,322		990,432		1,924,898	169,663	1,392,966						
United Kingdom				2019		Persons														
						Expense														
				Cumulative Total	0.493	Persons		2		8		67								
						Expense				251,727		100,166	4,383	136,251						

5 Regional and Sectoral Distribution of Technical Cooperation (FY2019)

5-1 Asia

Type of Cooperation	New/ Ongoing	Total Number of Persons	Planning/ Administration		Public Works/Utilities				Agriculture/Forestry/Fisheries				Mining/Industry		Energy	Business/Tourism		Human Resources		Health/ Medical Care	Welfare	Others
			Development Planning	Administration	Public Utilities	Transport/ Traffic	Social Infrastructure	Communications/ Broadcasting	Agriculture	Animal Industry	Forestry	Fisheries	Mining	Industry		Business/ Trade	Tourism	Human Resources	Science/ Culture			
Training Participants	New	5,918	141	1,713	187	538	268	75	435	32	56	48	10	43	186	444	56	706		515	455	10
	Ongoing	735	27	90	14	9	9		36	3	1	1	20		4	2		514		5		
	Total	6,653	168	1,803	201	547	277	75	471	35	57	49	30	43	190	446	56	1,220		520	455	10
Experts Dispatched	New	5,203	104	681	609	892	153	65	457	106	169	46	4	54	99	353	29	677		492	159	54
	Ongoing	747	26	103	41	84	26	9	87	12	19	5	3	8	14	38	2	84		62	27	97
	Total	5,950	130	784	650	976	179	74	544	118	188	51	7	62	113	391	31	761		554	186	151
Members of Study Teams Dispatched	New	3,709	94	284	260	1,372	309	4	176	14	23	17	32	4	175	245		257	1	209	38	195
	Ongoing	338	5	9	25	182	46		16			4	2		6	18		17		1		7
	Total	4,047	99	293	285	1,554	355	4	192	14	23	21	34	4	181	263		274	1	210	38	202
JOCVs Dispatched	New	230	14	5	1		1		4	3		1		2		5	5	132	5	33	19	
	Ongoing	440	24	15	3		2	2	11	6	1	1		5		10	11	223	17	78	31	
	Total	670	38	20	4		3	2	15	9	1	2		7		15	16	355	22	111	50	
Other Volunteers Dispatched	New	21		5								1		2	1	4		4		4		
	Ongoing	65	1	7	1	1	1	1	5	1		2		11	1	4	2	15	4	7	1	
	Total	86	1	12	1	1	1	1	5	1		3		13	2	8	2	19	4	11	1	

5-2 Pacific

Type of Cooperation	New/ Ongoing	Total Number of Persons	Development Planning	Administration	Public Utilities	Transport/ Traffic	Social Infrastructure	Communications/ Broadcasting	Agriculture	Animal Industry	Forestry	Fisheries	Mining	Industry	Energy	Business/ Trade	Tourism	Human Resources	Science/ Culture	Health/ Medical Care	Welfare	Others
Training Participants	New	319	2	52	35	40	7	2	10	1	14	12	4		13	6	19	62		34	6	
	Ongoing	68		1					1			4	1					61				
	Total	387	2	53	35	40	7	2	11	1	14	16	5		13	6	19	123		34	6	
Experts Dispatched	New	344		98	70		9		13		42	18			52			9		10	1	22
	Ongoing	53	5	6	4	1	3				4	1								7		22
	Total	397	5	104	74	1	12		13		46	19			52			9		17	1	44
Members of Study Teams Dispatched	New	123		1	17	61	9						2		15			2		1		15
	Ongoing	7				6									1							
	Total	130		1	17	67	9						2		16			2		1		15
JOCVs Dispatched	New	106	7	5							1			3		1	1	51	3	32	2	
	Ongoing	160	6	3			1		2	2	1	1		3		2	3	90	3	39	4	
	Total	266	13	8			1		2	2	2	1		6		3	4	141	6	71	6	
Other Volunteers Dispatched	New	8	1						1			1						2	2	1		
	Ongoing	35		3	2	3	1		3			1		2				11	1	6	2	
	Total	43	1	3	2	3	1		4			2		2				13	3	7	2	

5-3 North America and Latin America

Type of Cooperation	New/ Ongoing	Total Number of Persons	Development Planning	Administration	Public Utilities	Transport/ Traffic	Social Infrastructure	Communications/ Broadcasting	Agriculture	Animal Industry	Forestry	Fisheries	Mining	Industry	Energy	Business/ Trade	Tourism	Human Resources	Science/ Culture	Health/ Medical Care	Welfare	Others
Training Participants	New	1,520	82	188	109	47	64	20	133	2	36	4	1	32	34	128	30	369	34	118	38	51
	Ongoing	49		17			4		2			4	3					18				1
	Total	1,569	82	205	109	47	68	20	135	2	36	8	4	32	34	128	30	387	34	118	38	52
Experts Dispatched	New	495	14	23	19	7	77	1	27		47			69	15	29	49	15		44	10	49
	Ongoing	173	10	8	9	3	19		12	4	6			7	1	6	2	6		12	2	66
	Total	668	24	31	28	10	96	1	39	4	53			76	16	35	51	21		56	12	115
Members of Study Teams Dispatched	New	233	3	1	8	100	3		11		1	3	3	1	6	3	7	16		5	2	60
	Ongoing	9			4	3			1													1
	Total	242	3	1	12	103	3		12		1	3	3	1	6	3	7	16		5	2	61
JOCVs Dispatched	New	265	12	4	7		1		6	11		25		2	1	6	5	147	4	25	9	
	Ongoing	344	28	9	1		2	2	13	4	1	2		3		10	5	176	13	62	13	
	Total	609	40	13	8		3	2	19	15	1	27		5	1	16	10	323	17	87	22	
Other Volunteers Dispatched	New	103	1		2		2		1	1				1	1	6		70	7	4	7	
	Ongoing	216	2	5	2		1	2	5			3	1	7	2	18	3	98	40	13	14	
	Total	319	3	5	4		3	2	6	1		3	1	8	3	24	3	168	47	17	21	

5-4 Middle East

Type of Cooperation	New/ Ongoing	Total Number of Persons	Planning/ Administration		Public Works/Utilities				Agriculture/Forestry/Fisheries				Mining/Industry		Energy	Business/Tourism		Human Resources		Health/ Medical Care	Welfare	Others
			Development Planning	Administration	Public Utilities	Transport/ Traffic	Social Infrastructure	Communications/ Broadcasting	Agriculture	Animal Industry	Forestry	Fisheries	Mining	Industry		Business/ Trade	Tourism	Human Resources	Science/ Culture			
Training Participants	New	1,066	82	160	47	41	23	1	164	1	10	21		9	205	23	9	114	8	45	103	
	Ongoing	134		6		1			8			6			1			104		8		
	Total	1,200	82	166	47	42	23	1	172	1	10	27		9	206	23	9	218	8	53	103	
Experts Dispatched	New	350		29	14				22		17	3		43	19		22	129		15	26	11
	Ongoing	87	3	9	10		1		6		1	1		3		1	4	21			8	19
	Total	437	3	38	24		1		28		18	4		46	19	1	26	150		15	34	30
Members of Study Teams Dispatched	New	179	1	67	25	14	25	4	3						11		8	8		4	4	5
	Total	179	1	67	25	14	25	4	3						11		8	8		4	4	5
JOCVs Dispatched	New	47		1												1		29	2	5	9	
	Ongoing	63	1	1												1		40	7	7	6	
	Total	110	1	2												2		69	9	12	15	
Other Volunteers Dispatched	New	4					1							1		1		1				
	Ongoing	9																7	1		1	
	Total	13					1							1		1		8	1		1	

5-5 Africa

Type of Cooperation	New/ Ongoing	Total Number of Persons	Development Planning	Administration	Public Utilities	Transport/ Traffic	Social Infrastructure	Communications/ Broadcasting	Agriculture	Animal Industry	Forestry	Fisheries	Mining	Industry	Energy	Business/ Trade	Tourism	Human Resources	Science/ Culture	Health/ Medical Care	Welfare	Others
Training Participants	New	3,101	35	854	188	144	51	16	394	12	28	46	27	17	97	270	11	482		403	26	
	Ongoing	520		11	1				39			17	24		6			408		14		
	Total	3,621	35	865	189	144	51	16	433	12	28	63	51	17	103	270	11	890		417	26	
Experts Dispatched	New	1,515	7	104	108	78	65	27	350	12	171	46		53	11	83		142		126	16	116
	Ongoing	485	16	21	22	16	8	1	131	3	13	6	3	9	5	7		42		52	35	95
	Total	2,000	23	125	130	94	73	28	481	15	184	52	3	62	16	90		184		178	51	211
Members of Study Teams Dispatched	New	776	4	21	80	60	37		81		2	17	43	109	152	10		73	2	46		39
	Ongoing	73		1	20	18	5		8			5	1	3	1	3				8		
	Total	849	4	22	100	78	42		89		2	22	44	112	153	13		73	2	54		39
JOCVs Dispatched	New	346	58	5	2		4	3	12	2	1			6		4	2	187	10	44	6	
	Ongoing	656	153	13	2		2	1	28	5	2	2		6			1	310	10	98	23	
	Total	1,002	211	18	4		6	4	40	7	3	2		12		4	3	497	20	142	29	
Other Volunteers Dispatched	New	11												2		1	1	5		2		
	Ongoing	48	1	3	1		1		2			1		3		7	1	19	2	5	2	
	Total	59	1	3	1		1		2			1		5		8	2	24	2	7	2	

5-6 Europe

Type of Cooperation	New/ Ongoing	Total Number of Persons	Development Planning	Administration	Public Utilities	Transport/ Traffic	Social Infrastructure	Communications/ Broadcasting	Agriculture	Animal Industry	Forestry	Fisheries	Mining	Industry	Energy	Business/ Trade	Tourism	Human Resources	Science/ Culture	Health/ Medical Care	Welfare	Others
Training Participants	New	263	14	101	13	18	2	11	23		9				12	29	5	21		3	2	
	Ongoing	4							4													
	Total	267	14	101	13	18	2	11	27		9				12	29	5	21		3	2	
Experts Dispatched	New	101		19	2		1	12	13		28					24						2
	Ongoing	21	1	5			1	2			1		1			3				2		5
	Total	122	1	24	2		2	14	13		29		1			27				2		7
Members of Study Teams Dispatched	New	36		6	1		20									2		1				6
	Ongoing	10				6									4							
	Total	46		6	1	6	20								4	2		1				6
JOCVs Dispatched	New	5		2												1		1			1	
	Ongoing	1																			1	
	Total	6		2												1		1			2	
Other Volunteers Dispatched	Ongoing	2																1			1	
	Total	2																1			1	

5-7 Worldwide

Type of Cooperation	New/ Ongoing	Total Number of Persons	Development Planning	Administration	Public Utilities	Transport/ Traffic	Social Infrastructure	Communications/ Broadcasting	Agriculture	Animal Industry	Forestry	Fisheries	Mining	Industry	Energy	Business/ Trade	Tourism	Human Resources	Science/ Culture	Health/ Medical Care	Welfare	Others
Experts Dispatched	New	4																				4
	Ongoing	9	1	1																		7
	Total	13	1	1																		11
Members of Study Teams Dispatched	New	201	1	2		14	23							16		45					8	92
	Ongoing	6																				6
	Total	207	1	2		14	23							16		45					8	98

5-8 International Organizations

Type of Cooperation	New/ Ongoing	Total Number of Persons	Development Planning	Administration	Public Utilities	Transport/ Traffic	Social Infrastructure	Communications/ Broadcasting	Agriculture	Animal Industry	Forestry	Fisheries	Mining	Industry	Energy	Business/ Trade	Tourism	Human Resources	Science/ Culture	Health/ Medical Care	Welfare	Others
Other Volunteers Dispatched	New	5																				5
	Ongoing	6	6																			
	Total	11	6																			5

6 Sectoral Distribution of Technical Cooperation Projects (FY2019)

(Unit: ¥100 million, %)

Sector		New			Ongoing			Total		
		Number	Amount	Share	Number	Amount	Share	Number	Amount	Share
Planning/ Administration	Development Planning	2	0.1	0.5	6	5.9	1.7	8	6.0	1.6
	Administration	18	4.0	21.8	70	50.1	14.5	88	54.0	14.9
	Subtotal	20	4.0	22.2	76	55.9	16.2	96	60.0	16.5
Public Works/ Utilities	Public Utilities	7	3.0	16.2	22	18.6	5.4	29	21.6	6.0
	Transport/Traffic	6	1.6	8.9	33	21.9	6.4	39	23.5	6.5
	Social Infrastructure	6	1.1	6.1	18	17.0	4.9	24	18.1	5.0
	Communications/Broadcasting				12	9.0	2.6	12	9.0	2.5
	Subtotal	19	5.7	31.2	85	66.5	19.3	104	72.2	19.9
Agriculture/ Forestry/ Fisheries	Agriculture	12	2.5	14.0	71	58.4	17.0	83	60.9	16.8
	Animal Industry	1	0.0	0.2	7	2.1	0.6	8	2.2	0.6
	Forestry	2	0.1	0.3	22	23.1	6.7	24	23.2	6.4
	Fisheries	3	0.1	0.7	6	4.6	1.3	9	4.7	1.3
	Subtotal	18	2.8	15.3	106	88.3	25.6	124	91.0	25.1
Mining/ Industry	Mining				2	1.0	0.3	2	1.0	0.3
	Industry	3	0.0	0.1	12	10.2	3.0	15	10.2	2.8
	Subtotal	3	0.0	0.1	14	11.2	3.2	17	11.2	3.1
Energy		6	2.0	10.8	8	11.0	3.2	14	12.9	3.6
Business/ Tourism	Business/Trade	6	1.8	9.7	18	17.9	5.2	24	19.6	5.4
	Tourism				2	1.3	0.4	2	1.3	0.4
	Subtotal	6	1.8	9.7	20	19.1	5.6	26	20.9	5.8
Human Resources	Human Resources	8	0.9	4.9	38	43.1	12.5	46	44.0	12.1
	Science/Culture	1	0.0	0.2	1	0.0	0.0	2	0.1	0.0
	Subtotal	9	0.9	5.1	39	43.1	12.5	48	44.1	12.2
Health/Medical Care		7	1.0	5.5	51	42.4	12.3	58	43.4	12.0
Social Welfare					12	6.2	1.8	12	6.2	1.7
Others					2	0.7	0.2	2	0.7	0.2
Grand Total		88	18.2	100.0	413	344.3	100.0	501	362.5	100.0

Note: Projects for which Record of Discussions (R/D) were signed in FY2019 are classified as New, and projects for which R/D were signed in or before FY2018 and disbursement was made in FY2019 are classified as Ongoing.
Technical Cooperation Projects only (excluding Science and Technology Research Partnership for Sustainable Development (SATREPS) and Technical Cooperation for Development Planning).
Amount: Amount disbursed in FY2019.
In some cases numbers do not correspond to the sum total figures because of rounding.

7 Sectoral Distribution of Grant Projects (FY2019)

(Unit: ¥100 million, %)

Sector		Number	Total *	Share
Planning/ Administration	General Administration	2	20.54	2.4
	Subtotal	2	20.54	2.4
Public Works/ Utilities	Water Supply	8	61.61	7.2
	Sewerage	4	16.70	1.9
	Urban Sanitation	2	22.78	2.7
	Roads	24	197.29	23.0
	Maritime Traffic and Ships	2	16.35	1.9
	Ports	2	36.12	4.2
	Aviation and Airports	2	34.47	4.0
	Meteorology and Earthquake	3	39.05	4.6
	Surveying and Cartography	1	12.58	1.5
	Subtotal	48	436.95	51.0
Agriculture/ Forestry/ Fisheries	General Agriculture	1	5.60	0.7
	Agriculture Engineering	5	34.59	4.0
	Agricultural Machines	1	4.27	0.5
	Fisheries	3	13.18	1.5
	Subtotal	10	57.64	6.7
Energy	Electric Power	2	43.70	5.1
	Subtotal	2	43.70	5.1
Business/ Tourism	Business Management	1	7.25	0.8
	Subtotal	1	7.25	0.8

Sector		Number	Total *	Share
Human Resources	Education	4	38.43	4.5
	Basic Education	1	10.39	1.2
	Secondary Education	1	22.83	2.7
	Higher Education	58	47.19	5.5
	Vocational Training	2	6.85	0.8
	Culture	2	1.74	0.2
	Subtotal	68	127.43	14.9
Health/ Medical Care	Health/Medical Care	15	150.26	17.5
	Subtotal	15	150.26	17.5
Others		1	12.69	1.5
Grand Total		147	856.46	100.0

*The amount is calculated based on the FY2019 budget; it does not correspond to the total amount of Grant Agreements (G/As) concluded in FY2019.

8 Overview of Finance and Investment Cooperation (Data from the Previous Five Years)

(Unit: ¥100 million, %)

		FY2015			FY2016			FY2017			FY2018			FY2019		
		Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share
ODA Loans	Commitments: Asia	51	14,748	71.1	36	11,239	76.6	35	11,263	61.0	28	11,476	91.6	33	12,274	84.1
	Commitments: Pacific	2	315	1.5										1	50	0.3
	Commitments: North and Latin America				3	961	6.5	3	326	1.8				1	77	0.5
	Commitments: Middle East	8	2,077	10.0	4	1,259	8.6	6	1,443	7.8	4	710	5.7	1	1,100	7.5
	Commitments: Africa	6	1,344	6.5	8	1,216	8.3	5	418	2.3	2	347	2.8	4	1,093	7.5
	Commitments: Europe	3	1,902	9.2												
	Commitments: International Organizations, etc.	1	359	1.7				4	5,004	27.1						
	Commitments: Others															
	Commitments: Total	71	20,745	100.0	51	14,674	100.0	53	18,454	100.0	34	12,533	100.0	40	14,594	100.0
	Disbursements		9,700			8,790			11,099			10,686			10,861	
	Repayments		6,960			7,003			7,742			7,903			7,800	
	Outstanding		117,825			119,611			122,968			125,751			128,806	
Private-Sector Investment Finance	Commitments (loan)	2	39		2	99		6	430		2	88		7	574	
	(Investment)	2	1,824		4	84					2	41		4	63	
	Disbursements		15			257			286			208			214	
	Recovered		8			4			11			12			59	
	Outstanding		429			682			953			1,155			1,323	

Note: The total number of loan commitments in FY2015, FY2018 and FY2019 does not include the commitments to provide additional loans to one project while the total amount includes this total loan commitment of ¥8,900 million in FY2015, ¥4,900 million in FY2018 and ¥4,800 million in FY2019.
Of the repayments above, amount of advanced redemptions (the amount redeemed during the relevant fiscal year out of the amount originally scheduled for redemption in the following fiscal year or thereafter) for each year were as follows: FY2015: ¥12,300 million; FY2016: ¥4,900 million; FY2017: ¥45,100 million; FY2018: ¥56,400 million; FY2019: ¥55,200 million.
Data shows the managed credits and was calculated using a different method than figures calculated based on the Accounting Standards for Incorporated Administrative Agency.
Increase rate of outstandings in FY2019 compared to the previous fiscal year: ODA Loans 2.4%; Private-Sector Investment Finance 14.6%; total of ODA Loans and Private-Sector Investment Finance 2.5%.

9 Sectoral Distribution of Finance and Investment Cooperation

(Unit: ¥100 million, %)

Sector	FY2019									Accumulated								
	ODA Loans			Private-Sector Investment Finance			Total			ODA Loans			Private-Sector Investment Finance			Total		
	Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share
Electric Power and Gas	8	4,701	32.2	2	220	34.5	10	4,922	32.3	704	81,795	20.8	27	687	8.1	731	82,482	20.5
Multipurpose Dams										61	2,738	0.7	3	8	0.1	64	2,746	0.7
Power Plants	4	3,201	21.9	2	220	34.5	6	3,421	22.5	414	54,561	13.9	18	533	6.3	432	55,094	13.7
Transmission Lines and Distribution Systems	1	123	0.8				1	123	0.8	184	17,638	4.5	2	15	0.2	186	17,652	4.4
Gas										17	2,884	0.7	3	95	1.1	20	2,979	0.7
Others	3	1,377	9.4				3	1,377	9.0	28	3,974	1.0	1	37	0.4	29	4,010	1.0
Transportation	15	5,482	37.6				15	5,482	36.0	1,003	138,398	35.2	34	278	3.3	1,037	138,676	34.5
Roads	6	1,430	9.8				6	1,430	9.4	338	36,425	9.3	10	104	1.2	348	36,528	9.1
Bridges	2	522	3.6				2	522	3.4	88	9,431	2.4				88	9,431	2.3
Railways	5	2,771	19.0				5	2,771	18.2	273	62,074	15.8	8	34	0.4	281	62,109	15.5
Airports										82	11,861	3.0	2	32	0.4	84	11,894	3.0
Ports	2	760	5.2				2	760	5.0	153	14,441	3.7	6	83	1.0	159	14,524	3.6
Marine Transportation										50	2,648	0.7	5	18	0.2	55	2,665	0.7
Others										19	1,518	0.4	3	7	0.1	22	1,525	0.4
Telecommunications										203	10,478	2.7	11	73	0.9	214	10,551	2.6
Telecommunications										177	9,313	2.4	11	73	0.9	188	9,387	2.3
Broadcasting										25	1,146	0.3				25	1,146	0.3
Others										1	19	0.0				1	19	0.0
Irrigation and Flood Control										267	17,834	4.5	4	24	0.3	271	17,858	4.4
Agriculture, Forestry and Fisheries Industry	3	434	3.0	2	188	29.6	5	623	4.1	169	12,060	3.1	263	1,721	20.2	432	13,781	3.4
Agriculture	2	330	2.3	1	109	17.1	3	439	2.9	101	7,336	1.9	126	926	10.9	227	8,262	2.1
Forestry	1	104	0.7	1	79	12.4	2	183	1.2	48	4,217	1.1	76	631	7.4	124	4,848	1.2
Fisheries										20	508	0.1	60	160	1.9	80	668	0.2
Farming													1	3	0.0	1	3	0.0
Mining and Manufacturing										245	20,286	5.2	410	2,512	29.5	655	22,799	5.7
Mining										57	2,372	0.6	158	563	6.6	215	2,936	0.7
Manufacturing										185	17,845	4.5	251	1,916	22.5	436	19,761	4.9
Others										3	70	0.0	1	33	0.4	4	103	0.0
Social Services	11	3,397	23.3	1	32	5.0	12	3,429	22.5	588	57,743	14.7	44	838	9.8	632	58,581	14.6
Water Supply, Sewerage and Sanitation	5	2,185	15.0				5	2,185	14.3	307	35,972	9.1	9	267	3.1	316	36,240	9.0
Education	1	94	0.6				1	94	0.6	87	5,741	1.5	4	8	0.1	91	5,749	1.4
Public Health and Medicine										42	2,601	0.7	3	17	0.2	45	2,618	0.7
Tourism										20	1,836	0.5	7	155	1.8	27	1,992	0.5
Urban/Rural Community Infrastructure	2	627	4.3	1	32	5.0	3	659	4.3	61	6,396	1.6	17	220	2.6	78	6,616	1.6
Strengthening of Administrative Management										17	731	0.2				17	731	0.2
Environmental Conservation in Multisector	1	138	0.9				1	138	0.9	45	3,019	0.8	4	170	2.0	49	3,190	0.8
Others	2	353	2.4				2	353	2.3	9	1,446	0.4				9	1,446	0.4
Program Loans	2	368	2.5				2	368	2.4	322	51,451	13.1				322	51,451	12.8
Others	1	211	1.4	6	197	30.9	7	408	2.7	22	3,183	0.8	48	2,380	28.0	70	5,563	1.4
Grand Total	40	14,594	100.0	11	637	100.0	51	15,232	100.0	3,523	393,228	100.0	841	8,514	100.0	4,364	401,742	100.0
Rescheduling										209	21,181					209	21,181	

Note: The total number of loan commitments in FY2019 does not include the commitments to provide additional loans to one project while the total amount includes this total loan commitment of ¥4.8 billion.
Accumulated amount of ODA Loans is total of loan commitments since FY1966, and accumulated amount of Private-Sector Investment Finance is total of loan commitments since FY1961.

10 Geographical Distribution of ODA Loans (FY2019)

(Unit: Cases, ¥1 billion)

Region/Country			Commitments		Disbursements	Repayments	Outstanding	Accumulated Commitments	
			Number	Total	Total	Total	Total	Number	Total
Asia	Southeast Asia	Cambodia	2	29.4	10.3	1.1	49.3	26	182.3
		Indonesia	5	155.1	65.8	162.7	1,271.5	695	5,223.6
		Laos			1.1	0.6	25.1	13	48.4
		Malaysia			3.4	11.0	195.4	75	923.8
		Myanmar	6	168.9	58.8		360.5	100	1,305.7
		Philippines	2	26.5	80.3	54.6	760.1	302	3,118.5
		Singapore						2	1.2
		Thailand	1	9.4	29.4	82.9	315.4	245	2,378.9
		Timor-Leste			0.8		2.7	1	5.3
		Viet Nam			37.5	55.1	1,583.3	204	2,724.9
		Subtotal	16	389.3	287.5	368.0	4,563.1	1,663	15,912.5
	East Asia	China				94.5	947.5	369	3,359.7
		Mongolia			5.4	3.1	124.1	17	157.9
		Republic of Korea						92	596.2
		Others						5	12.5
		Subtotal			5.4	97.6	1,071.7	483	4,126.4
	South Asia	Afghanistan						1	0.7
		Bangladesh	5	275.8	161.1	13.0	755.8	129	2,022.6
		Bhutan			0.3	0.1	4.6	2	5.8
		India	9	374.4	254.7	105.0	2,323.9	299	6,209.8
		Maldives				0.1	2.1	1	2.7
		Nepal			7.0	1.2	32.9	13	121.3
		Pakistan			3.9	28.9	560.4	87	817.5
		Sri Lanka			23.1	22.1	370.4	135	1,126.7
		Subtotal	14	650.2	450.1	170.3	4,050.1	667	10,307.1
	Central Asia and the Caucasus	Armenia				1.1	24.1	2	31.8
		Azerbaijan			2.5	3.6	78.1	4	101.2
		Georgia			0.0	0.6	23.0	4	66.2
		Kazakhstan				4.6	45.5	6	95.1
		Kyrgyz Republic			0.1	1.0	25.6	7	37.6
		Turkmenistan				0.2	1.7	1	4.5
		Uzbekistan	3	187.9	26.3	3.1	180.7	18	464.5
		Subtotal	3	187.9	29.0	14.3	378.7	42	800.9
	Total		33	1,227.4	771.9	650.1	10,063.6	2,855	31,147.0
Pacific	Fiji		1	5.0		0.1	0.4	2	7.3
	Papua New Guinea				8.6	1.4	23.3	17	105.7
	Samoa					0.2	3.6	1	4.6
	Vanuatu				0.0		8.2	2	9.5
	Total		1	5.0	8.6	1.8	35.5	22	127.2
North America and Latin America	Central America and the Caribbean	Costa Rica			3.0	1.8	30.7	7	102.2
		Dominican Republic				0.4	1.7	4	31.6
		El Salvador			5.5	1.8	16.0	7	56.8
		Guatemala			2.7	1.4	15.5	6	36.8
		Honduras			0.1		0.3	7	50.8
		Jamaica				0.5	0.8	10	55.1
		Mexico						9	205.4
		Nicaragua			0.1		1.7	5	27.5
		Panama				1.0	13.1	3	61.9
		Subtotal			11.5	7.0	79.8	58	628.0
	South America	Argentina				1.8	1.8	1	8.2
		Bolivia			0.2		0.4	9	111.0
		Brazil			4.1	9.0	71.4	20	331.3
		Chile						3	24.4
		Colombia						4	46.6
		Ecuador	1	7.7		0.5	2.7	8	71.4
		Paraguay			4.9	3.2	19.0	17	154.8
		Peru			2.3	5.2	42.2	48	421.6
		Uruguay						1	7.2
		Subtotal	1	7.7	11.4	19.6	137.6	111	1,176.4
	Total		1	7.7	22.9	26.6	217.4	169	1,804.5
Middle East	Algeria					0.1	0.8	8	13.9
	Egypt				30.5	22.0	269.2	58	713.6
	Iran					0.4	2.4	2	46.1
	Iraq		1	110.0	29.0	10.5	367.6	31	830.3
	Jordan				22.2	8.9	122.6	22	302.4
	Lebanon					0.7	1.4	1	13.0
	Morocco				5.5	10.0	132.8	37	311.6
	Syria						44.0	4	138.6
	Tunisia				15.7	8.4	90.5	42	341.2
	Yemen						23.2	5	49.3
	Total		1	110.0	102.9	61.1	1,054.5	210	2,760.2

Region/Country		Commitments		Disbursements	Repayments	Outstanding	Accumulated Commitments	
		Number	Total	Total	Total	Total	Number	Total
Africa	Angola					23.6	1	23.6
	Benin						1	3.8
	Botswana			0.7	0.7	3.4	5	22.0
	Burkina Faso						1	5.7
	Burundi						2	3.3
	Cameroon			1.9	0.1	9.8	6	29.2
	Cape Verde			0.3	0.1	10.0	3	25.9
	Central African Republic						1	0.6
	Côte d'Ivoire			1.5		1.6	4	39.2
	Democratic Republic of the Congo						2	35.6
	Eswatini				0.2	2.5	1	4.4
	Ethiopia	1	9.7	1.5		5.5	4	18.9
	Ghana			0.1		0.1	18	136.3
	Guinea						4	16.0
	Kenya	2	84.9	18.5	8.7	154.9	43	483.0
	Liberia						1	4.0
	Madagascar			1.3		4.0	6	55.9
	Malawi						8	33.1
	Mali						2	8.7
	Mauritania						3	11.1
	Mauritius			0.8	0.3	1.8	4	16.1
	Mozambique		4.8	5.8	0.2	40.1	6	75.2
	Namibia				0.9	1.4	1	10.1
	Niger						1	3.2
	Nigeria					8.3	4	63.4
	Rwanda	1	10.0	5.9		8.4	6	29.2
	Senegal			0.3	0.0	9.8	6	51.4
	Sierra Leone						1	2.0
	Somalia					6.5	2	6.5
	South Africa				0.1	0.1	3	14.1
	Sudan					7.8	4	10.5
	Tanzania			2.8	0.5	53.6	22	80.1
	Togo						3	9.3
	Uganda			2.2	0.2	23.8	7	66.3
	Zambia			0.7	0.3	4.6	8	46.5
	Zimbabwe					19.8	6	38.1
	Total	4	109.3	44.2	12.4	401.5	200	1,482.4
Europe	Albania			0.1	0.7	9.8	4	18.1
	Bosnia and Herzegovina			2.1	0.4	12.9	2	16.7
	Bulgaria				1.6	15.4	6	77.0
	Hungary						1	4.9
	Moldova					5.7	1	5.9
	North Macedonia				0.5	4.7	1	9.7
	Poland						1	21.4
	Romania			0.3	3.0	44.6	5	118.2
	Serbia			2.7	0.1	8.2	1	28.3
	Slovakia				0.6	2.5	1	11.1
	Turkey			8.2	18.7	228.8	29	697.2
	Ukraine			0.1	0.9	61.4	4	174.3
	Total			13.5	26.7	394.1	56	1,182.8
International Organizations, etc. Total				122.1	1.4	714.1	11	818.9
Grand Total		40	1,459.4	1,086.1	780.0	12,880.6	3,523	39,322.8

Note: Outstanding data show the managed credits and are calculated using a different method than figures calculated based on the Accounting Standards for Incorporated Administrative Agency.
The number and total amount do not include debt relief. The number does not include the commitments to provide additional loans.
Accumulated amount of loan commitments is total amount of loan commitments since FY1966.

11-1 Debt Rescheduling Based on Paris Club Agreements (FY2019)

(Unit: ¥1 million)

Country	Date of Paris Club Agreement	Date JICA Signed Rescheduling Agreement	Rescheduled Amount
Not applicable			

11-2 Debt Cancellation (FY2019)

(Unit: ¥1 million)

Country	Debt Cancellation Amount
Not applicable	

12-1 Principal Contractors under ODA Loans (FY2019 / Goods and Services / Contract Amount: over ¥1 billion)

Country	Project Name	Date of Loan Agreement	Contract Amount (¥1 million)	Contractors (Nationality) Note. Names of parties of a joint venture* are separated by slashes.
Cambodia	Siem Reap Water Supply Expansion Project	2012.03.29	3,690	KOBELCO ECO-SOLUTIONS CO., LTD. (Japan)
	Siem Reap Water Supply Expansion Project	2012.03.29	4,040	SUMEC COMPLETE EQUIPMENT & ENGINEERING CO., LTD. (China) / PERKASA TINGGI SDN. BHD. (Malaysia)
Indonesia	Asahan No.3 Hydroelectric Power Plant Construction Project	2006.03.29	2,574	ANDRITZ HYDRO GMBH (Austria) / PT. ANDRITZ HYDRO (Indonesia)
	Development of World Class University with Socio Entrepreneurial Spirit at Universitas Gadjah Mada	2017.11.15	1,831	PT. PEMBANGUNAN PERUMAHAN (Indonesia)
	Construction of Jakarta Mass Rapid Transit Project (Phase 2) (I)	2018.10.24	35,246	SHIMIZU CORPORATION (Japan) / PT. ADHI KARYA (Indonesia)
	Patimban Port Development Project	2017.11.15	4,569	PT. WIJAYA KARYA (Indonesia) / PT. PEMBANGUNAN PERUMAHAN (Indonesia)
Myanmar	Hydropower Plants Rehabilitation Project	2017.04.25	2,914	HITACHI MITSUBISHI HYDRO CORPORATION (Japan)
	Hydropower Plants Rehabilitation Project	2017.04.25	4,362	TOYOTA TSUSHO CORPORATION (Japan)
	National Power Transmission Network Development Project Phase I	2015.03.26	14,385	MARUBENI CORPORATION (Japan)
	National Power Transmission Network Development Project Phase II	2015.10.16	5,707	MITSUBISHI CORPORATION (Japan)
	Communication Network Improvement Project	2015.03.26	6,819	SOJITZ CORPORATION (Japan)
	East-West Economic Corridor Improvement Project	2015.10.16	15,953	IHI INFRASTRUCTURE SYSTEMS CO., LTD. (Japan)
Philippines	Maritime Safety Capability Improvement Project for the Philippine Coast Guard (Phase II)	2016.10.26	14,550	MITSUBISHI SHIPBUILDING CO., LTD. (Japan)
	North - South Commuter Railway Project (Malolos - Tutuban)	2015.11.27	25,394	JAPAN TRANSPORT ENGINEERING COMPANY (Japan) / SUMITOMO CORPORATION (Japan)
	North - South Commuter Railway Project (Malolos - Tutuban)	2015.11.27	115,465	TAISEI CORPORATION (Japan) / D.M. CONSUNJI INC. (Philippines)
Viet Nam	Can Tho University Improvement Project	2015.07.04	1,732	THANH AN CORPORATION (Viet Nam) / 789 CORPORATION (Viet Nam)
	Can Tho University Improvement Project	2015.07.04	2,353	URBAN INFRASTRUCTURE DEVELOPMENT INVESTMENT CORPORATION (Viet Nam)
	North Nghe An Irrigation System Upgrading Project	2013.03.22	1,312	TAN NAM CONSTRUCTION JSC (Viet Nam) / KC2 (Viet Nam)
	North Nghe An Irrigation System Upgrading Project	2013.03.22	1,446	VIET NAM AGRICULTURAL OF CONSTRUCTION JS CORPORATION (Viet Nam) / 36 CORPORATION (Viet Nam)
	Hanoi City Yen Xa Sewerage System Project (I)	2013.03.22	2,763	AN XUAN THINH CONSTRUCTION - TRADE JOINT STOCK COMPANY (Viet Nam) / SONG DA 9 JOINT STOCK COMPANY (Viet Nam)
	Hanoi City Yen Xa Sewerage System Project (I)	2013.03.22	3,720	AN XUAN THINH CONSTRUCTION - TRADE JOINT STOCK COMPANY (Viet Nam) / SONG DA 9 JOINT STOCK COMPANY (Viet Nam)
	Hanoi City Yen Xa Sewerage System Project (I)	2013.03.22	9,197	TEKKEN CORPORATION (Japan)
	Project for Disaster and Climate Change Countermeasures Using Earth Observation Satellite (I)	2011.11.02	20,778	SUMITOMO CORPORATION (Japan)
Bangladesh	Dhaka-Chittagong Main Power Grid Strengthening Project	2015.12.13	3,121	SIEMENS AG (Germany) / SIEMENS LTD. (India)
	Dhaka-Chittagong Main Power Grid Strengthening Project	2015.12.13	6,959	JIANGSU ETERN CO., LTD. (China) / HITACHI, LTD. (Japan)
	Hazrat Shahjalal International Airport Expansion Project (I)	2017.06.29	271,080	MITSUBISHI CORPORATION (Japan) / FUJITA CORPORATION (Japan) / SAMSUNG C&T CORPORATION (Republic of Korea)
	Matarbari Ultra Super Critical Coal-Fired Power Project (II)	2016.06.29	3,489	HALLA RESOURCES CORPORATION (Republic of Korea) / MIR AKHTER HOSSAIN LTD. (Bangladesh)
	Foreign Direct Investment Promotion Project (II)	2019.05.29	14,137	TOA CORPORATION (Japan)
India	Campus Development Project of Indian Institute of Technology, Hyderabad	2014.01.28	11,078	SHAPOORJI PALLONJI AND COMPANY PVT. LTD. (India)
	Odisha Transmission System Improvement Project	2015.05.15	1,895	SIDDHARTHA ENGG (India) / ASHTAVINAYAKA CONSTRUCTION (India)
	Odisha Transmission System Improvement Project	2015.05.15	2,309	STELMEC LIMITED (India) / LAXMI TRANSMISSION (India)
	Kolkata East-West Metro Project (III)	2018.09.28	1,827	VOLTAS LIMITED (India)
	Delhi Mass Rapid Transport System Project Phase 3 (III)	2018.10.29	1,779	ETA ENGINEERING PVT. LTD. (India) / TRICOLITE ELECTRICAL INDUSTRIES LIMITED (India)
	Delhi Water Supply Improvement Project	2012.10.29	9,453	LARSEN & TOUBRO LTD. (India)
	Bengaluru Water Supply and Sewerage Project (Phase 3) (I)	2018.01.24	6,962	LARSEN & TOUBRO LTD. (India)
	Bengaluru Water Supply and Sewerage Project (Phase 3) (I)	2018.01.24	9,016	SPML INFRA LIMITED (India)
	Transmission System Strengthening Project in Madhya Pradesh	2016.03.31	1,094	STERLITE POWER TRANSMISSION LTD. (India)
	Mumbai Metro Line 3 Project (II)	2018.03.29	1,131	MITSUI & CO., LTD. (Japan)

Country	Project Name	Date of Loan Agreement	Contract Amount (¥1 million)	Contractors (Nationality) Note. Names of parties of a joint venture* are separated by slashes.
India	Mumbai Metro Line 3 Project (II)	2018.03.29	1,768	KALINDEE RAIL NIRMAN(ENGINEERS) LIMITED (India) / ASIS ELEKTRONIK VE BILISIM SISTEMLERI A.S. (Turkey)
	Mumbai Metro Line 3 Project (II)	2018.03.29	2,054	SHENYANG YUANDA INTELLECTUAL INDUSTRY GROUP CO., LTD. (China) / ROYAL INFRACONSTRU LTD. (India)
	Mumbai Metro Line 3 Project (II)	2018.03.29	2,357	JOHNSON LIFTS PVT. LTD. (India) / SJEC CORPORATION (China)
	Mumbai Metro Line 3 Project (II)	2018.03.29	3,609	VOLTAS LIMITED (India)
	Mumbai Metro Line 3 Project (II)	2018.03.29	3,706	LARSEN & TOUBRO LTD. (India)
	Mumbai Metro Line 3 Project (II)	2018.03.29	3,897	BLUE STAR LTD. (India)
	Mumbai Metro Line 3 Project (II)	2018.03.29	4,653	LARSEN & TOUBRO LTD. (India)
	Mumbai Metro Line 3 Project (II)	2018.03.29	5,086	SHANGHAI TUNNEL ENGINEERING COMPANY LIMITED (China)
	Mumbai Metro Line 3 Project (II)	2018.03.29	13,541	ALSTOM TRANSPORT INDIA LIMITED (India) / ALSTOM TRANSPORT SA (France)
	Yamuna Action Plan Project (3)	2011.02.17	18,182	SUEZ INDIA PVT. LTD. (India) / SUEZ INTERNATIONAL (France)
	North East Road Network Connectivity Improvement Project (Phase 1) (I)	2017.03.31	6,072	ABCI INFRASTRUCTURES PVT. LTD. (India)
	North East Road Network Connectivity Improvement Project (Phase 1) (I)	2017.03.31	6,765	ABCI INFRASTRUCTURES PVT. LTD. (India)
	North East Road Network Connectivity Improvement Project (Phase 1) (I)	2017.03.31	7,944	GAMMON ENGINEERS AND CONTRACTORS PRIVATE LIMITED (India)
	North East Road Network Connectivity Improvement Project (Phase 1) (I)	2017.03.31	8,472	ABCI INFRASTRUCTURES PVT. LTD. (India) / BHARTIA INFRA PROJECTS LTD. (India)
Nepal	Nagdhunga Tunnel Construction Project	2016.12.22	15,166	HAZAMA ANDO CORPORATION (Japan)
Pakistan	Punjab Transmission Lines and Grid Stations Project (I)	2008.05.03	1,003	CHINA ENERGY ENGINEERING GROUP HUNAN ELECTRIC POWER DESIGN INSTITUTE CO., LTD. (China)
	Punjab Transmission Lines and Grid Stations Project (I)	2008.05.03	3,747	GRID SOLUTIONS SAS (France)
Sri Lanka	National Transmission and Distribution Network Development and Efficiency Improvement Project	2015.08.11	7,672	KINDEN CORPORATION (Japan) / KALPATARU POWER TRANSMISSION LTD. (India)
	National Transmission and Distribution Network Development and Efficiency Improvement Project	2015.08.11	8,421	MITSUBISHI CORPORATION (Japan) / SUMITOMO ELECTRIC INDUSTRIES, LTD. (Japan) / CEYLEX ENGINEERING PVT. LTD. (Sri Lanka)
Uzbekistan	Amu-Bukhara Irrigation System Rehabilitation Project	2015.01.27	2,648	CHINA NUCLEAR INDUSTRY 22ND CONSTRUCTION CO., LTD. (China)
	Amu-Bukhara Irrigation System Rehabilitation Project	2015.01.27	5,082	CHINA NUCLEAR INDUSTRY 22ND CONSTRUCTION CO., LTD. (China)
	Turakurgan Thermal Power Station Construction Project	2014.11.10	2,893	MK-11 BRANCH OF JSC "ELEKTRQISHLOQQURILISH" (Uzbekistan)
Papua New Guinea	Nadzab Airport Redevelopment Project	2015.10.14	21,040	DAI NIPPON CONSTRUCTION (Japan) / NIPPO CORPORATION (Japan)
El Salvador	San Miguel Bypass Construction Project	2014.08.20	1,705	GRUPO EQUIPOS DE CONSTRUCCION, S.A. DE C.V. (El Salvador)
Brazil	Environmental Improvement Project in the Basin of Lake Billings	2010.10.14	1,391	TRAIL INFRAESTRUTURA EIRELI (Brazil) / AUGUSTO VELLOSO ENGENHARIA S/A (Brazil) / VAD ENGENHARIA E EMPREENDIMENTOS LTDA (Brazil)
Peru	Moquegua Hydro Electric Power Plants Construction Project	2014.11.07	12,457	SACYR CONSTRUCCION S.A. SUCURSAL DEL PERU (Spain) / SACYR INDUSTRIAL S.L.U. (Spain) / GCZ INGENIEROS S.A.C. (Peru)
Egypt	Borg El Arab International Airport Modernization Project	2016.02.29	15,693	TAISEI CORPORATION (Japan) / ORASCOM CONSTRUCTION (Egypt)
	Electricity Sector Rehabilitation and Improvement Project	2016.10.24	13,373	MH POWER SYSTEMS EGYPT (LLC) (Egypt)
	Electricity Sector Rehabilitation and Improvement Project	2016.10.24	13,477	MH POWER SYSTEMS EGYPT (LLC) (Egypt)
Iraq	Basrah Water Supply Improvement Project (II)	2018.05.03	13,692	ALMEER TECHNICAL SERVICES CO. W.L.L. (Kuwait)
	Electricity Sector Reconstruction Project (Phase 2)	2015.06.29	10,445	TOYOTA TSUSHO CORPORATION (Japan) / ELSEWEDY ELECTRIC POWER SYSTEMS PROJECTS (Egypt)
	Electricity Sector Reconstruction Project (Phase 3)	2017.10.26	1,680	MATELEC S.A.L. (Lebanon)
Morocco	Sewerage System Development Project (III)	2013.03.26	1,440	ATNER (ATLAS ENERGIE ATNER SARL) (Morocco) / VIALES Y OBRAS PUBLICAS S.A. (Spain)
Burkina Faso	Gounghin-Fada N'Gourma Road Improvement Project	2018.03.02	5,331	SINTRAM (Morocco)
Côte d'Ivoire	Abidjan Port Cereal Berth Construction Project	2017.03.30	9,464	TOA CORPORATION (Japan)
Kenya	Mombasa Port Area Road Development Project	2012.06.02	25,639	FUJITA CORPORATION (Japan) / MITSUBISHI CORPORATION (Japan)
Mauritius	Grand Baie Sewerage Project	2010.07.08	5,700	HENAN WATER & POWER ENGINEERING CONSULTING CO., LTD. (HWPC) (China) / ANHUI SHUI'AN CONSTRUCTION GROUP CO., LTD. (ASCG) (China)
Mozambique	Maputo Gas Fired Combined Cycle Power Plant Development	2014.01.13	3,138	SUMITOMO CORPORATION (Japan) / IHI CORPORATION (Japan)

* A joint venture is a contractual agreement that joins two or more parties for the purpose of executing a particular contract and "jointly and severally" responsible for execution of the whole contract.

12-2 Principal Contractors under ODA Loans (FY2019 / Consulting Services / Contract Amount: over ¥100 million)

Country	Project Name	Date of Loan Agreement	Contract Amount (¥1 million)	Names of Contracting Consultant (Nationality) Note. Names of parties of a joint venture* are separated by slashes.
Cambodia	Sihanoukville Port New Container Terminal Development Project	2017.08.07	1,233	NIPPON KOEI CO., LTD. (Japan) / ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan)
Indonesia	Construction of Jakarta Mass Rapid Transit Project (Phase 2) (I)	2018.10.24	7,137	ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan) / PACIFIC CONSULTANTS CO., LTD. (Japan) / CHODAI CO., LTD. (Japan) / NIPPON KOEI CO., LTD. (Japan)
Myanmar	Yangon-Mandalay Railway Improvement Project Phase II (I)	2018.03.29	6,678	ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan) / JAPAN INTERNATIONAL CONSULTANTS FOR TRANSPORTATION CO., LTD. (Japan) / TONICHI ENGINEERING CONSULTANTS, INC. (Japan) / PACIFIC CONSULTANTS CO., LTD. (Japan) / NIPPON KOEI CO., LTD. (Japan) / ORIENTAL CONSULTANTS Japan CO., LTD. (Myanmar)
	Power Distribution System Improvement Project	2017.03.01	324	NIPPON KOEI CO.,LTD. (Japan) / JERA CO., INC. (Japan)
	Project for the Development of Finance for Small and Medium-sized Enterprises (Phase 2)	2018.03.29	435	JAPAN ECONOMIC RESEARCH INSTITUTE INC. (Japan) / DAIWA INSTITUTE OF RESEARCH LTD. (Japan)
	Agriculture Income Improvement Project	2018.03.29	1,947	NIPPON KOEI CO., LTD. (Japan) / KOREAN RURAL COMMUNITY CORPORATION (Republic of Korea)
	Regional Development Project for Poverty Reduction Phase II	2017.03.01	845	ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan)
	Regional Development Project for Poverty Reduction Phase II	2017.03.01	560	YACHIYO ENGINEERING CO., LTD. (Japan)
	Regional Development Project for Poverty Reduction Phase II	2017.03.01	766	NIPPON KOEI CO., LTD. (Japan)
Philippines	Metro Rail Transit Line 3 Rehabilitation Project	2018.11.08	1,547	ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan) / TONICHI ENGINEERING CONSULTANTS, INC. (Japan) / ORIENTAL CONSULTANTS PHILIPPINES, INC. (Japan) / URBAN INTEGRATED CONSULTANTS, INC. (Philippines)
	North-South Commuter Railway Extension Project (I)	2019.01.21	49,505	ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan) / KATAHIRA & ENGINEERS INTERNATIONAL (Japan) / PACIFIC CONSULTANTS CO., LTD. (Japan) / TONICHI ENGINEERING CONSULTANTS, INC. (Japan) / NIPPON KOEI CO., LTD. (Japan)
Bangladesh	Dhaka Underground Substation Construction Project	2017.06.29	1,266	TOKYO ELECTRIC POWER SERVICES CO., LTD. (Japan) / TEPCO POWER GRID INC. (Japan)
	Dhaka Mass Rapid Transit Development Project (Line 5) (E/S)	2018.06.14	20,774	NIPPON KOEI CO., LTD. (Japan) / ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan) / SYSTRA S.A. (France) / DELHI METRO RAIL CORPORATION LTD. (India) / NIPPON KOEI INDIA PVT. LTD. (India) / KATAHIRA & ENGINEERS INTERNATIONAL (Japan) / DEVELOPMENT DESIGN CONSULTANTS LTD. (Bangladesh)
	Foreign Direct Investment Promotion Project	2015.12.13	2,274	NIPPON KOEI CO., LTD. (Japan) / KOEI RESEARCH & CONSULTING INC. (Japan)
	Energy Efficiency and Conservation Promotion Financing Project	2016.06.29	791	MITSUBISHI RESEARCH INSTITUTE, INC. (Japan)
India	Project for Construction of Chennai Seawater Desalination Plant (I)	2018.03.29	1,927	SMEC INTERNATIONAL PTY LIMITED (Australia) / NJS ENGINEERS INDIA PVT. LTD. (India) / TATA CONSULTING ENGINEERS LIMITED (India) / SMEC INDIA PRIVATE LIMITED (India)
	Project for the Construction of Chennai Peripheral Ring Road (Phase 1)	2019.01.18	1,016	NIPPON KOEI CO., LTD. (Japan) / NIPPON KOEI INDIA PVT. LTD. (India) / IBI GROUP INDIA PRIVATE LIMITED (India) / STUP CONSULTANTS PVT. LTD. (India) / AARVEE ASSOCIATES ARCHITECTS ENGINEERS & CONSULTANTS PVT. LTD. (India)
	Chennai Metro Project (Phase 2) (I)	2018.12.21	16,105	NIPPON KOEI CO., LTD. (Japan) / AARVEE ASSOCIATES ARCHITECTS ENGINEERS & CONSULTANTS PVT. LTD. (India) / BALAJI RAILROAD SYSTEMS PVT. LTD. (India)
	Project for Installation of Chennai Metropolitan Area Intelligent Transport Systems	2018.03.29	1,370	NIPPON KOEI CO., LTD. (Japan) / NIPPON KOEI INDIA PVT. LTD. (India) / IBI GROUP (Canada) / IBI GROUP INDIA PRIVATE LIMITED (India)
	Project for Sustainable Catchment Forest Management in Tripura	2018.10.29	334	NR MANAGEMENT CONSULTANTS INDIA PVT. LTD. (India) / IDES INC. (Japan) / JPS ASSOCIATES PVT. LTD. (India)
	Nagaland Forest Management Project	2017.03.31	213	NR MANAGEMENT CONSULTANTS INDIA PVT. LTD. (India) / GFA CONSULTING GROUP GMBH (Germany)
	North East Road Network Connectivity Improvement Project (Phase 1) (I)	2017.03.31	764	NIPPON KOEI CO., LTD. (Japan) / STUP CONSULTANTS PVT. LTD. (India)
	North East Road Network Connectivity Improvement Project (Phase 1) (I)	2017.03.31	1,056	INTERCONTINENTAL CONSULTANTS AND TECHNOCRATS PVT. LTD. (India)
	North East Road Network Connectivity Improvement Project (Phase 1) (I)	2017.03.31	1,092	TPF GETINSA EUROSETUDIOS S.L. (Spain) / RODIC CONSULTANTS PVT. LTD. (India)
Pakistan	Islamabad and Burhan Transmission Line Reinforcement Project (Phase 1)	2017.05.04	281	NEWJEC INC. (Japan) / NATIONAL ENGINEERING SERVICES PAKISTAN (PVT) LIMITED (Pakistan)
Sri Lanka	Rural Infrastructure Development Project in Emerging Regions	2017.07.07	399	CEYWATER CONSULTANTS (PVT) LTD. (Sri Lanka)
	Rural Infrastructure Development Project in Emerging Regions	2017.07.07	975	MG CONSULTANTS (PVT) LTD. (Sri Lanka) / ENGINEERING CONSULTANTS (PVT) LTD. (Sri Lanka)
	Health and Medical Service Improvement Project	2018.07.11	870	KOEI RESEARCH & CONSULTING INC. (Japan) / BINKO INTERNATIONAL LIMITED (Japan)

Country	Project Name	Date of Loan Agreement	Contract Amount (¥1 million)	Names of Contracting Consultant (Nationality) Note. Names of parties of a joint venture* are separated by slashes.
Uzbekistan	Tashkent Thermal Power Cogeneration Plant Construction Project	2015.10.25	743	TRACTEBEL ENGINEERING GMBH (Germany) / EURASIAN CONSULTING AND ENGINEERING SERVICES GMBH (Germany)
Costa Rica	Borinquen I Geothermal Project (Guanacaste Geothermal Development Sector Loan)	2017.06.20	238	WEST JAPAN ENGINEERING CONSULTANTS, INC. (Japan)
Peru	River Basins Flood Protection Project in Coastal Area of Peru	2014.11.07	508	INYPSA INFORMES Y PROYECTOS S.A. (Spain) / GRUPO PROFESIONAL PLANEACION Y PROYECTOS S.A. DE C.V. (Mexico)
Iraq	Sewerage Construction Project in Kurdistan Region (I)	2015.06.29	3,326	UNICO INTERNATIONAL CORPORATION (Japan) / YACHIYO ENGINEERING CO., LTD. (Japan) / JAPAN TECHNO CO., LTD. (Japan) / ASIA ENGINEERING CONSULTANT CO., LTD. (Japan) / WATER AGENCY INC. (Japan)
	Electricity Sector Reconstruction Project (Phase 3)	2017.10.26	1,869	ETUDES TECHNIQUES SAL (Lebanon) / POWER GENERATION ENGINEERING AND SERVICES COMPANY (Egypt)
Morocco	Provincial Cities Water Supply Project	2010.03.19	1,286	NIPPON KOEI CO., LTD. (Japan) / FICHTNER WATER & TRANSPORTATION GMBH (Germany) / CONSEIL INGENIERIE ET DEVELOPPEMENT (Morocco) / TEAM MAROC, S.A. (Morocco)
Ghana	Construction of a New Bridge across the Volta River on the Eastem Corridor Project	2016.12.05	1,111	CENTRAL CONSULTANT INC. (Japan)/ ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan) / HAG CONSULT LTD. (Ghana) / ASSOCIATED CONSULTANTS LTD. (Ghana)
Rwanda	Ngoma-Ramiro Road Upgrading Project	2018.03.22	749	PADECO CO., LTD. (Japan) / NIPPON ENGINEERING CONSULTANTS CO., LTD. (Japan) / ORIENTAL CONSULTANTS GLOBAL CO., LTD. (Japan) / HYCOGEC CONSULTANTS LTD. (Rwanda) / CORE CONCEPT CONSULTANTS (Rwanda)
Uganda	Kampala Metropolitan Transmission System Improvement Project	2018.04.26	1,669	YACHIYO ENGINEERING CO., LTD. (Japan) / TOKYO ELECTRIC POWER SERVICES CO., LTD. (Japan)

* A joint venture is a contractual agreement that joins two or more parties for the purpose of executing a particular contract and "jointly and severally" responsible for execution of the whole contract.

13-1 Terms and Conditions of ODA Loans (Effective from April 1, 2020)

Category	GNI Per Capita (2018)	Terms	Fixed/Floating	Standard/Option	Interest Rate (%)	Repayment Period (years)	Grace Period (years)	Conditions for Procurement
Low-Income Least Developed Countries* (–US$ 1,025)					0.01	40	10	Untied
Least Developed Countries or Low-Income Countries (–US$ 1,025)		Preferential Terms for High Specification**	Fixed	Standard	0.25	30	10	Untied
				Option 1	0.20	25	7	
				Option 2	0.15	20	6	
				Option 3	0.10	15	5	
		Preferential Terms***	Floating****	Longer option	¥ LIBOR +35bp	40	12	
				Standard	¥ LIBOR +25bp	30	10	
				Option 1	¥ LIBOR +20bp	25	7	
				Option 2	¥ LIBOR +15bp	20	6	
				Option 3	¥ LIBOR +10bp	15	5	
			Fixed	Standard	0.60	30	10	
				Option 1	0.50	25	7	
				Option 2	0.35	20	6	
				Option 3	0.25	15	5	
		General Terms	Floating****	Longer option	¥ LIBOR +45bp	40	12	
				Standard	¥ LIBOR +35bp	30	10	
				Option 1	¥ LIBOR +30bp	25	7	
				Option 2	¥ LIBOR +25bp	20	6	
				Option 3	¥ LIBOR +20bp	15	5	
			Fixed	Standard	0.70	30	10	
				Option 1	0.60	25	7	
				Option 2	0.45	20	6	
				Option 3	0.35	15	5	
Lower-Middle-Income Countries	US$ 1,026 – US$ 3,995	Preferential Terms for High Specification**	Fixed	Standard	0.50	30	10	Untied
				Option 1	0.45	25	7	
				Option 2	0.40	20	6	
				Option 3	0.35	15	5	
		Preferential Terms***	Floating****	Longer option	¥ LIBOR +85bp	40	12	
				Standard	¥ LIBOR +65bp	30	10	
				Option 1	¥ LIBOR +55bp	25	7	
				Option 2	¥ LIBOR +45bp	20	6	
				Option 3	¥ LIBOR +35bp	15	5	
			Fixed	Standard	1.00	30	10	
				Option 1	0.85	25	7	
				Option 2	0.65	20	6	
				Option 3	0.50	15	5	
		General Terms	Floating****	Longer option	¥ LIBOR +105bp	40	12	
				Standard	¥ LIBOR +85bp	30	10	
				Option 1	¥ LIBOR +75bp	25	7	
				Option 2	¥ LIBOR +65bp	20	6	
				Option 3	¥ LIBOR +55bp	15	5	
			Fixed	Standard	1.20	30	10	
				Option 1	1.05	25	7	
				Option 2	0.85	20	6	
				Option 3	0.70	15	5	
Upper-Middle-Income Countries	US$ 3,996 –	Preferential Terms for High Specification**	Fixed	Standard	0.70	30	10	Untied
				Option 1	0.65	25	7	
				Option 2	0.60	20	6	
				Option 3	0.55	15	5	
		Preferential Terms***	Floating****	Longer option	¥ LIBOR +105bp	40	12	
				Standard	¥ LIBOR +85bp	30	10	
				Option 1	¥ LIBOR +75bp	25	7	
				Option 2	¥ LIBOR +65bp	20	6	
				Option 3	¥ LIBOR +55bp	15	5	
			Fixed	Standard	1.20	30	10	
				Option 1	1.05	25	7	
				Option 2	0.85	20	6	
				Option 3	0.70	15	5	
		General Terms	Floating****	Longer option	¥ LIBOR +125bp	40	12	
				Standard	¥ LIBOR +105bp	30	10	
				Option 1	¥ LIBOR +95bp	25	7	
				Option 2	¥ LIBOR +85bp	20	6	
				Option 3	¥ LIBOR +75bp	15	5	
			Fixed	Standard	1.40	30	10	
				Option 1	1.25	25	7	
				Option 2	1.10	20	6	
				Option 3	0.90	15	5	
STEP*****			Fixed	Standard	0.10	40	13	Tied
Consulting Services		For consulting services, the interest rate will be minimal (0.01%) and the repayment, grace periods and conditions for procurement will be the same as those for main components.						
Options for Program Type Japanese ODA Loans		In case of co-financing, it is possible to apply the same repayment terms as co-financer's lending while maintaining the concessionality of Yen loans.						

* For Low-Income LDCs, the term and condition of 0.01% interest rate and 40-year repayment period including 10-year grace period are applied, irrespective of sectors and fields. Three-year transition period will be granted to recipient countries that will move from the category of Low-Income LDCs, and, during the period, the terms and conditions for Low-Income LDCs will be applied to the projects of the countries.

** Preferential Terms for High Specification will be applicable to projects promoting quality infrastructure.The applicability of the terms will be decided on a case-by-case basis.

*** Preferential Terms are applied to the following sectors and fields:
(i) Issues on Global Environmental and Climate Change
(ii) Health and Medical Care and Services
(iii) Disaster Prevention and Reduction
(iv) Human Resource Development

**** The base rate of floating rate is the value of the 6-month Japanese Yen LIBOR, and the fixed spread remains constant over the life of the loan. If the base rate plus fixed spread is lower than 0.1%, the interest shall be 0.1%.

***** Special Terms for Economic Partnership (STEP) is extended to the projects for which Japanese technologies and know-how are substantially utilized, based on the recipient countries' request to utilize and transfer excellent technologies of Japan. Countries (except LDCs), which are eligible for tied aid under Arrangement on Officially Supported Export Credits issued by OECD, are eligible for STEP terms.

****** Irrespective of the income category, the term and condition of 0.01% interest rate and 40-year repayment period including 10-year grace period are applied to projects assisting recoveries from disasters, including Stand-by Emergency Credit for Urgent Recovery (SECURE). For Stand-by Emergency Credit for Urgent Recovery, the term and condition of 20-year repayment period including 6-year grace period, or 15-year repayment period including 5-year grace period are also available, in order to apply Currency Conversion Option.

******* For Contingent Credit Enhancement Facility for PPP Infrastructure Development (CCEF-PPP), only floating rate will be applied irrespective of income category. The terms on conditions are individually set within the following range of interest rate as well as repayment period (In the case of short term financial support, however, the repayment period is 10 years).
- Interest rate: ¥LIBOR + 30~50bp
- Repayment period: maximum 40-year(maximum 30-year drawdown period plus 10 year)

Note:
· Under the EPSA (Enhanced Private Sector Assistance for Africa) initiative, the loan for projects co-financed with the AfDB are extended using "Preferential Terms," determined for each income category; in the case for Low-Income LDCs, the term and condition of 0.01% interest rate and 40-year repayment period including 10-year grace period are applied.
· For countries complying with ongoing IMF-supported programs or receiving grants from IDA, it is possible to modify the terms and conditions of the ODA Loans so as to meet the IMF's concessionality criteria.
· For General terms and Preferential terms, fixed rate for all countries (except Low-Income LDCs) will be revised on a regular basis so that its concessionality will be equal to that of floating rate.
· For Upper-Middle-Income Countries, floating rate will be applied in principle, although fixed rate could be applied.

Terms and Conditions of ODA Loans Denominated in US Dollars (Effective from April 1, 2016)

Repayment Period (years)	Grace Period (years)	Interest Rate
25	7	$LIBOR +110bp
20	6	$LIBOR +105bp
15	5	$LIBOR +100bp

Note: The base rate of floating rate is the value of the 6-month US Dollars LIBOR, and the fixed spread remains constant over the life of the loan. If the base rate plus fixed spread is lower than 0.1%, the interest shall be 0.1%.

[Reference] Potential Loan Recipient Countries Classified by Income Categories (Revised in April 2020)

Category	GNI Per Capita	
Low-Income-Least Developed Countries	–US$ 1,025	Afghanistan, Benin, Burkina Faso, Burundi, Central African Republic, Chad, Democratic Republic of Congo, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Liberia, Madagascar, Malawi, Mali, Mozambique, Nepal, Niger, Rwanda, Sierra Leone, Somalia, South Sudan, Tanzania, Togo, Uganda, Yemen
Least Developed Countries or Low-Income Countries (–US$ 1,025)		Angola, Bangladesh, Bhutan, Cambodia, Comoros, Djibouti, Kiribati, Laos, Lesotho, Mauritania, Myanmar, Sao Tome and Principe, Senegal, Solomon Islands, Sudan, Syria, Tajikistan, Timor-Leste, Tuvalu, Vanuatu, Zambia
Lower-Middle-Income Countries	US$ 1,026 – US$ 3,995	Bolivia, Cameroon, Cape Verde, Congo, Côte d'Ivoire, Egypt, El Salvador, Eswatini, Ghana, Honduras, India, Indonesia, Kenya, Kyrgyz Republic, Federated States of Micronesia, Moldova, Mongolia, Morocco, Nicaragua, Nigeria, Pakistan, Papua New Guinea, Philippines, Tunisia, Ukraine, Uzbekistan, Viet Nam, Zimbabwe
Upper-Middle-Income Countries	US$ 3,996 –	Albania, Algeria, Antigua and Barbuda, Argentina, Armenia, Azerbaijan, Belarus, Belize, Bosnia and Herzegovina, Botswana, Brazil, Colombia, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, Equatorial Guinea, Fiji, Gabon, Georgia, Grenada, Guatemala, Guyana, Iran, Iraq, Jamaica, Jordan, Kazakhstan, Kosovo, Lebanon, Libya, Malaysia, Maldives, Marshall Islands, Mauritius, Mexico, Montenegro, Namibia, Nauru, Niue, North Macedonia, Palau, Panama, Paraguay, Peru, Samoa, Serbia, South Africa, Sri Lanka, St. Lucia, St. Vincent and the Grenadines, Suriname, Thailand, Tonga, Turkey, Turkmenistan, Venezuela

Note: Underlined countries are STEP eligible (as of April 2020).

1 Sectors and Fields Eligible for Preferential Terms

· Global Environmental and Climate Change
· Human Resource Development
· Disaster Prevention and Reduction
· Health and Medical Care and Services

[Note] 1. To promote the strategic use of ODA Loans for priority issues, assistance for which makes use of Japan's outstanding technology and know-how, JICA reviewed sectors to which preferential terms of assistance are applied in accordance with an announcement made on an improvement in policies to encourage the strategic use of ODA Loans by the Ministry of Foreign Affairs on April 15, 2013.
2. In cases where a part of the project is eligible for preferential terms, the terms can be applied to that part.

2 Enhancement Use of Assistance for Upper-Middle-Income Countries and Uppermost-Middle-Income Countries

JICA promotes its use of ODA Loans in upper-middle-income countries and uppermost-middle-income countries, primarily in fields where Japan's knowledge and technology can be put to good use.

For upper-middle-income countries, besides the current six fields of application (environment, human resource development, measures to reduce disparities, disaster prevention and recovery measures, regional infrastructure and agriculture), JICA will provide ODA Loans for other areas that have strategic significance for Japan, such as making maximum use of Japan's knowledge and technology.

Uppermost-middle-income countries will be eligible for ODA Loans if projects are considered to have strategic significance for Japan until they graduate from being eligible for World Bank assistance (normally about five years).

3 Special Term for Economic Partnership (STEP)

Overview

Special Terms for Economic Partnership (STEP) was introduced in July 2002, with a view to raising the visibility of Japanese ODA among citizens in both recipient countries and Japan through best use of advanced technologies and know-how of Japanese firms.

STEP Recipient Countries

Countries eligible for Japanese ODA Loans and tied aid under the OECD rules.

STEP-Eligible Projects

(1) Projects eligible for STEP are those listed in following sectors and fields;
(2) and at the same time, for which Japanese technologies and equipment are substantially utilized.

Sectors and Fields

- Bridges and Tunnels
- Trunk roads/Dams (limited to projects that substantially utilize Japanese anti-earthquake technology, ground treatment technology and rapid construction technology)
- Ports
- Airports
- Urban mass transit system
- Oil/Gas transmission and storage facilities
- Urban flood control projects
- Communications/Broadcasting/Public information system
- Power stations/Power transmission and distribution lines
- Environmental Projects (limited to projects that substantially utilize Japan's air-pollution prevention technology, water-pollution prevention technology, waste treatment and recycling technology and waste heat recycling and utilization technology)
- Medical equipment
- Disaster-prevention system/equipment

Even if a project does not fall into the sectors and fields listed above, application of STEP to the project could be positively considered as long as the project substantially utilizes Japanese technologies and/or equipment.

Interest Rates and Repayment Period

Interest rates and repayment periods are set so as to enable the extension of tied aid under OECD rules.

Procurement Conditions

Primary contracts are tied to Japanese firms, while subcontracts are generally untied. The prime contractor can be a consolidated subsidiary of a Japanese company in a foreign country. A joint venture (JV) composed of a Japanese company or companies and a company or companies in a recipient country may also be the prime contractor on condition that the company is the leading partner. Additionally, if specified requirements are met, a JV composed of a Japanese company and an associated company of a Japanese company in a foreign country may also be the prime contractor on condition that the Japanese company is the leading partner.

Coverage Ratio

STEP loans may be used to finance up to 100% of the total project cost.

Country of Origin Rule

Not less than thirty percent (30%) of the total price of contracts (excluding consulting services) financed by a STEP loan shall be accounted for by either (i) goods from Japan and services provided by a Japanese company, or (ii) goods from Japan only, depending on the nature of the project. If specified conditions are met, the price of major components can be included in the ratio of the goods and services to be procured from Japan.

	Category	Examples
(a)	Projects in which advanced technologies and/or know-how of Japanese companies are identified in services (e.g. construction methods, etc).	Tunnels, ports, concrete bridges, trunk roads, dams, sewerage systems, urban underground headrace tunnels, public information systems, hydroelectric power, and geothermal power, etc.
(b)	Projects, which consists mainly of the installation of goods or plants and in which Japanese technologies can be identified in such goods or plants.	Communications/broadcasting facilities, wind/solar/thermal power generation, oil/gas transmission and storage facilities, waste treatment sites, waste incineration plants, steel bridges, urban mass transit systems, urban flood control projects, power transmission and distribution line, etc.

Procurement Audits

The procurement process is audited by a third party after bidding to ensure fairness, utilizing loan funds or JICA research expenses.

Note: Please refer to page 27 for the classification of principal country income levels.

13-2 Tying Status of ODA Loans (Commitment Basis)

(Unit: %)

	FY2015	FY2016	FY2017*3	FY2018	FY2019
General Untied	58.2*2	90.9	80.1	41.9*2	77.4*2
Partially Untied*1	1.7	0.0	2.6*4	0.0	0.0
Tied	40.1	9.1	17.3	58.1	22.6

Partially Untied: Procurement conditions stipulating that Japan and all countries on the DAC list of ODA recipients (Part 1 and Part 2) are eligible source countries.
Note:
*1 International competitive bidding by participating countries and member countries as stipulated in the Agreement for the establishment of the African Development Bank (AfDB) and by member countries as stipulated in the Agreement for the establishment of the Inter-American Development Bank (IDB).
*2 Includes increase in amount committed according to amendment of L/A.
*3 "Loan for the International Development Association 18 Replenishment" for IDA, "The African Development Fund Fourteenth Replenishment" for ADF, "Loan for MENA Financing Initiative" for IBRD do not include procurement and are therefore excluded.
*4 Regarding "Energy Management and Efficiency Programme" in Jamaica, IDB member countries and countries designated by the EU are eligible source countries.

13-3 Nationalities of Contractors (Including Procurement in Local Currency)

(Unit: %)

	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	27.1	33.2	44.7	44.4	45.8
Developed Countries	7.0	6.4	7.9	4.4	6.1
Developing Countries, etc.	22.6	12.0	47.4	51.1	48.1
Developing Countries, etc. (Local Currencies)	43.3	48.4	—	—	—
Total	100.0	100.0	100.0	99.9	100.0

Note 1: Developed countries: OECD member countries excluding Japan
Developing countries, etc.: Countries on the DAC List of ODA Recipients, and OECD nonmember countries that have been removed from the list.
Note 2: Totals may not equal 100 because of rounding.
Note 3: From FY2017, procurement in local currency is classified according to the nationality of the supplier.
Note 4: From FY2019, loans denominated in US dollars are classified according to the nationality of the supplier.

13-4 Nationalities of Contractors (Including Procurement in Local Currency, Excluding Program Type ODA Loans and other ODA Credits)

(Unit: %)

	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	27.6	34.3	48.9	45.3	48.0
Developed Countries	5.4	3.6	8.7	4.5	6.4
Developing Countries, etc. (Foreign Currencies)	23.0	12.3	42.3	50.1	45.6
Developing Countries, etc. (Local Currencies)	44.0	49.9	—	—	—
Total	100.0	100.1	99.9	99.9	100.0

Note 1: Developed countries: OECD member countries excluding Japan
Developing countries, etc.: Countries on the DAC List of ODA Recipients, and OECD nonmember countries that have been removed from the list.
Note 2: Totals may not equal 100 because of rounding.
Note 3: From FY2017, procurement in local currency is classified according to the nationality of the supplier.
Note 4: From FY2019, loans denominated in US dollars are classified according to the nationality of the supplier.

13-5 Nationalities of Contractors (Foreign Currency Only, Excluding Program Type ODA Loans and other ODA Credits)

(Unit: %)

	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	49.3	68.3	67.0	65.2	64.3
Developed Countries	9.6	7.2	11.4	6.1	9.1
Developing Countries, etc. (Foreign Currencies)	41.1	24.5	21.5	28.7	26.6
Total	100.0	100.0	99.9	100.0	100.0

Note 1: Developed countries: OECD member countries excluding Japan
Developing countries, etc.: Countries on the DAC List of ODA Recipients, and OECD nonmember countries that have been removed from the list.
Note 2: Totals may not equal 100 because of rounding.
Note 3: From FY2017, the method of calculating procurement in foreign currency has been modified.
Note 4: From FY2019, loans denominated in US dollars are classified according to the nationality of the supplier.

14-1 Technical Cooperation Projects (R/D Newly Signed in FY2019)

Region/Country	Project Name	Signing Date of Record of Discussion
Asia		
Cambodia	The Project for Strengthening Organizational Functions of CMAC	2019.12.24
	Project for Capacity Building for Pesticide Residue Analysis in Agricultural Produce	2020.02.11
	The Project for National and Sub-national Capacity Development for Sustainable Natural Resource Management	2020.03.18
Indonesia	Project for Capacity Development on Operation of Earthquake and Tsunami Analysis and Warning Dissemination	2019.11.21
	Project for Developing Electronic Testing Laboratories and LED Industry in Indonesia	2019.04.11
	The Project for Enhancement of Satellite Utilization for Illegal, Unreported and Unregulated (IUU) Fishing Activity	2019.11.19
	Project for Technical Cooperation for Improvement of Regency/Municipality Roads Governance	2019.05.28
Laos	Project for Capacity Development on Urban Development Control and Promotion	2020.03.02
	The Project for Training Program on Leadership Enhancement for Leaders	2019.06.07
	Project for the Capacity Development of Business Professionals and Networking through LJI	2019.04.02
	Project for the Capacity Development of Tax Administration	2019.04.04
Myanmar	Project for Strengthening Horticultural Crop Value Chain through Food Safety Approach	2020.03.18
	Project for Collaboration between Participatory Irrigation Management and Agricultural Extension	2019.12.24
	Project of Capacity Development for National Single Window and Customs Modernization by Introducing Automated Cargo Clearance System Phase 2	2020.03.10
	The Project for Capacity Development of Road and Bridge Operation and Maintenance	2019.11.04
Philippines	Disaster Risk Reduction and Management Capacity Enhancement Project Phase II	2019.08.06
	The Project for Capability Enhancement for High Quality Weather Observation, Forecast, Warning and Information in the Philippines	2019.11.19
	Technical Cooperation Project on Formulation of Credit Risk Data Base	2020.02.04
	Capacity Development Project for Bangsamoro	2019.06.17
Thailand	The Project for Capacity Development and Promotion of Utilization of National CORS Data Center	2020.02.27
	Project on Capacity Improvement for Road Traffic Safety Institutions and Implementation in Thailand	2020.03.23
Viet Nam	The Project for Capacity Enhancement in Developing State Management Tools for Construction Project	2019.11.12
	Improving Competition Policy and Enhancing the Effective Enforcement of Vietnam Competition Law	2019.06.25
	Project for SME Promotion and Industrial Development	2019.12.19
	Project for Enhancement of Education, Research and University Management Capacity at Vietnam-Japan University	2020.02.18
Mongolia	Project of Phase II for Enhanced Function of Mongolia-Japan Center for Human Resources Development for Capacity Development and Networking of Business Persons	2019.08.14
	Project for Strengthening the Practical Capacity of Public and Private Veterinarian	2020.03.20
	Project for Enhancement of the Fair Competition Environment in Mongolia (Phase 2)	2019.11.14
	Project for Strengthening Capacity of Macroeconomic Policy and Planning	2019.09.04
Bangladesh	Strengthening Public Investment Management System (SPIMS) Project Phase 2	2019.05.27
	Project for Strengthening Building Regulatory and Construction Monitoring System	2019.07.31
	Project for Planning Capacity Enhancement and Establishment of a Technology Adaptation Cycle on Comprehensive Nodi (River) Management	2020.03.11
Bhutan	Project for Capacity Enhancement of Meteorological Observation, Forecasting and Flood Warning, for Disaster Preparedness and Response in Thimphu and Paro River Basins	2019.10.31
	The Project for Promotion of Utilization of Geospatial Information through Development of National Spatial Data Infrastructure	2020.01.03
	Project for Capacity Enhancement on Irrigation Planning, Design, and Construction Management	2020.03.27
	Project for Promotion of Technology Education and Diffusion through Digital Fabrication Laboratory (Fab-Lab)	2019.12.05
India	Project for the Comprehensive Improvement of Environmental Sanitation in Varanasi	2020.01.28
Nepal	The Project on Participatory Rural Recovery	2019.07.08
	The Project for Strengthening Disaster Risk Governance for Resilience in the Kathmandu Valley	2019.11.18
Sri Lanka	The Project for Capacity Enhancement of Elderly Service Management in the Community	2020.02.20
	Project for Capacity Development on the Power Sector Master Plan Implementation Program	2019.11.22
	Project for Promotion of Safe and Appropriate Use of Pesticides and Fertilizer	2019.11.08
	The Project for Mainstreaming Disaster Risk Reduction through Establishing Local Disaster Risk Reduction based on Basin Strategy in Sri Lanka	2019.11.15

Region/Country	Project Name	Signing Date of Record of Discussion
Asia (Continued)		
Tajikistan	The Capacity Development Project for Implementation of Performance Based Navigation	2019.10.31
	Business Incubation Project	2019.11.25
Pacific		
Fiji	The Project for Mainstreaming Disaster Risk Reduction	2019.10.09
	Capacity Enhancement Project for the Sustainable Development and Sound Management in Fisheries in Fiji and the Other Pacific Island Countries in Line with SDG 14	2020.02.14
Papua New Guinea	Project for Strengthening Primary Teacher Pre-service Education in Mathematics and Science	2020.02.27
North America and Latin America		
Dominican Republic	Project for Institutional Strengthening and Modernization of DGII (Directorate General of Internal Taxes)	2019.07.05
	The Project for Institutional Capacity Development on Nation-Wide Integrated Solid Waste Management in the Dominican Republic Phase 2	2019.09.27
Guatemala	Project for Development of the Capacities of Facilitators for the Improvement of the Productivity and Quality of Small and Medium Enterprises Phase 2	2019.12.23
Nicaragua	Project for Capacity Development on Quality and Productivity Improvement in the Micro, Small and Medium Enterprises	2019.07.10
St. Vincent and the Grenadines	The Project for Strengthening Sustainable Use and Management of Coastal Fisheries Resource in the CARICOM Countries	2019.12.19
Brazil	Project for Improving Control of Illegal Deforestation through Advanced SAR and AI Technologies in the Brazilian Amazon	2019.12.12
Peru	Project for Capacity Strengthening for Geothermal Resource Assessment	2019.12.30
Middle East		
Egypt	Project for Capacity Development on Energy Efficiency and Conservation	2019.10.08
Iran	Project for Improving Medical Services in the Islamic Republic of Iran through Japan's Medical Management Models	2019.11.24
Jordan	The Project for Integration of Variable Renewable Energy into Electric Power Network System and Enhancing Supply Reliability	2019.10.31
Palestine	Refugee Camp Improvement Project (Phase 2)	2020.02.24
	Project for Capacity Development in Solid Waste Management Phase 3	2020.03.10
Africa		
Burundi	Strengthening Maternal and Child Health Services	2019.07.19
Côte d'Ivoire	Local Rice Promotion Project Phase 2	2019.12.23
Democratic Republic of the Congo	Project for Reinforcement of Infectious Diseases Epidemiological Surveillance System	2019.08.24
Djibouti	Project for Capacity Development of Djibouti Coast Guard Phase 3	2019.08.18
Ghana	Project for Improving Learning Outcomes through Community Participation for Sustainable School for All (COMPASS)	2019.11.14
	Enterprise Development Project with Kaizen	2019.10.08
Guinea	Project for Domestic Rice Production and Sales Promotion in Lower Guinea	2020.01.29
Kenya	Project for Enhancing the Quality of CEMASTEA's Programmes and Activities through Research	2019.07.25
	AFRICA-ai-JAPAN African Union Project - african innovation - JKUAT AND PAUSTI Network Project (Phase 2)	2020.03.23
	Project for Enhancing Enterprise Competitiveness	2019.12.05
Liberia	The Project of Capacity Development for Diesel Generator Maintenance	2019.12.03
	Project for Management Capacity Development for Improvement of Health Services in Montserrado County	2019.12.16
Madagascar	Project for Promotion of Productivity Improvement and Industrialization of the Rice Sector	2020.03.02
	Participatory and School-Based Management Project for Early Primary Public Schools and Community Early Childhood Education Centers (Phase 2)	2020.02.21
Mozambique	Project for Capacity Development to Realize Integrated Solid Waste Management in Great Maputo	2019.07.19
	Project for Improvement of Energy Loss Reduction on Distribution Network	2019.11.18
	Project for Capacity Development for Coordination and Promotion for Implementation of Development Strategies for Nacala Corridor Region	2019.12.23
	The Project for Strengthening Maternal and Child Nutrition Services	2020.01.29
Namibia	The Project on Implementation of International Logistics Hub Master Plan Phase 2	2020.02.26
	Northern Namibia Small-Scale Farmers' Livelihood Enhancement Project	2020.03.11
Nigeria	Project on Promotion of Market-oriented Agricultural Extension System for Livelihood Improvement	2019.10.30

Region/Country	Project Name	Signing Date of Record of Discussion
Africa (Continued)		
Senegal	Project for Reinforcement for Maternal and New Born Health Care in Senegal Phase 3	2019.04.01
	Project for Improving the Learning of Mathematics in Primary Education Phase 2	2020.03.25
Sierra Leone	The Project for Capacity Development to Strengthen Local Resilience in Sierra Leone	2019.12.05
South Sudan	Project for Youth Empowerment through Sports for Peace Promotion (YES for Peace)	2019.08.08
	Project for Capacity Development of South Sudan Customs for Introduction of Harmonized System Code (Phase 2)	2019.12.02
Uganda	Project for Sustainable Utilization, Operation and Management of Irrigation System in Atari Basin Area	2020.02.17
Zambia	Market-Oriented Rice Development Project	2019.06.26

Total 88 Projects (43 Countries and Regions)

14-2 Science and Technology Research Partnership for Sustainable Development (SATREPS) Projects (R/D Newly Signed in FY2019)

Region/Country	Project Name	Signing Date of Record of Discussion
Asia		
Indonesia	The Project for Implementation of Low-Emission Affordable Apartment in the Hot-Humid Climate of Indonesia towards Paris Agreement 2030	2020.01.24
Philippines	The Project for Development of a Hybrid Water-Related Disaster Risk Assessment Technology for Sustainable Local Economic Development Policy	2020.02.28
Thailand	The Project for the Acceleration of Livestock Revolution in Thailand aiming to be the Kitchen of the World through the Development of Novel Technologies for Stable Livestock Production and Food Safety	2020.02.21
	The Project for Formation of a Center of Excellence for Marine Plastic Pollution Studies in the Southeast Asian Seas	2020.02.27
Mongolia	The Project for Restoration of Pastureland by Effective Usage of Wild Forage Plants based on Traditional Knowledge of Nomadic Mongolians	2020.01.30
	The Project for Control of Tuberculosis and Glanders	2020.02.04
Sri Lanka	The Project for Early Warning Technology of Rain Induced Rapid and Long Traveling Landslide	2020.02.05
Africa		
Kenya	The Project for Interdisciplinary Research for an Integrated Community-Directed Strategy for Sustainable Freedom from Malaria	2020.03.10
	The Project for Comprehensive Solutions for Optimum Development of Geothermal Systems in East African Rift Valley	2020.02.18
Malawi	Project for Establishment of a Sustainable Community Development Model based on Integrated Natural Resource Management Systems in Lake Malawi National Park	2020.03.09

Total 10 Projects (7 Countries)

14-3 ODA Loans (L/A Newly Signed in FY2019)

(Unit: ¥1 million)

Region/Country	Project Name	Loan Signing/ Amendment Date	Loan/Additional Loan Amendment Amount
Asia			
Cambodia	National Road No. 5 Improvement Project (Thlea Ma'am - Battambang and Sri Sophorn - Poipet Sections) (II)	2020.03.24	17,702
	National Road No. 5 Improvement Project (Prek Kdam - Thlea Ma'am Section) (III)	2020.03.24	11,715
Indonesia	Jakarta Sewerage Development Project (Zone 6) (Phase 1)	2019.07.11	30,980
	Infrastructure Reconstruction Sector Loan in Central Sulawesi	2020.01.09	27,970
	Disaster Resilience Enhancement and Management Program Loan	2020.02.18	31,800
	Jakarta Sewerage Development Project (Zone 1)	2020.03.31	57,061
	Urban Flood Control System Improvement in Selected Cities (Phase 2)	2020.03.31	7,299
Myanmar	Yangon Sewerage System Development Project	2020.01.21	45,900
	Regional Infrastructure Improvement Project	2020.01.21	38,642
	Yangon Urban Development Project	2020.01.21	24,085
	Urban Area Power Distribution Improvement Project	2020.01.21	12,288
	Yangon-Mandalay Railway Improvement Project Phase I (III)	2020.03.31	40,604
	Infrastructure Development Project in Thilawa Area (Phase 3)	2020.03.31	7,339
Philippines	Road Network Development Project in Conflict Affected Areas in Mindanao	2019.06.18	22,100
	Metro Manila Priority Bridges Seismic Improvement Project (II)	2020.03.30	4,409
Thailand	Industrial Human Resources Development Project	2020.03.30	9,434
Bangladesh	Dhaka Mass Rapid Transit Development Project (Line 1) (I)	2019.05.29	52,570
	Matarbari Port Development Project (I)	2019.05.29	38,866
	Foreign Direct Investment Promotion Project (II)	2019.05.29	21,147
	Energy Efficiency and Conservation Promotion Financing Project (Phase 2)	2019.05.29	20,076
	Matarbari Ultra Super Critical Coal-Fired Power Project (V)	2019.06.30	143,127
India	Dedicated Freight Corridor Project (Phase 1) (IV)	2020.03.27	130,000
	Mumbai Trans-Harbour Link Project (II)	2020.03.27	66,909
	Madhya Pradesh Rural Water Supply Project	2020.03.27	55,474
	Mumbai Metro Line 3 Project (III)	2020.03.27	39,928
	Project for Pollution Abatement of Nag River in Nagpur	2020.03.27	29,082
	North East Road Network Connectivity Improvement Project (Phase 4)	2020.03.27	14,926
	Ahmedabad Metro Project (II)	2020.03.27	13,967
	Project for Ecosystem Restoration in Gujarat	2020.03.27	13,757
	Project for Community-Based Forest Management and Livelihoods Improvement in Meghalaya	2020.03.27	10,397
Uzbekistan	Navoi Thermal Power Plant Modernization Project (Phase 2)	2019.12.19	128,246
	Electric Power Sector Capacity Development Project (Phase 2)	2019.12.19	36,621
	Horticulture Value Chain Promotion Project	2019.12.19	23,023
Pacific			
Fiji	Stand-by Loan for Disaster Recovery and Rehabilitation	2020.02.21	5,000
North America and Latin America			
Ecuador	Project for Supporting the Advancement of Energy Matrix Transition	2020.01.28	7,660
Middle East			
Iraq	Basrah Refinery Upgrading Project (II)	2019.06.16	110,000
Africa			
Ethiopia	Ethiopia Integrated Transport Program Phase 1:Jimma-Chida and Sodo-Sawla Road Upgrading Project (Jimma-Chida Section)	2020.03.30	9,655

Region/Country	Project Name	Loan Signing/ Amendment Date	Loan/Additional Loan Amendment Amount
Africa (Continued)			
Kenya	Mombasa Gate Bridge Construction Project (I)	2019.12.05	47,800
	Mombasa Special Economic Zone Development Project (I)	2020.02.27	37,090
Mozambique	Maputo Gas Fired Combined Cycle Power Plant Development	2019.08.28	4,788
Rwanda	Sector Policy Loan for Nutrition Improvement through Agriculture Transformation	2019.08.16	10,000
Total 40 Projects (15 Countries)			1,459,437

Note: The total number of loan commitments does not include the commitments to provide additional loans to one project while the total amount includes this total loan commitment of ¥4.8 billion.

14-4 Private-Sector Investment Finance Projects (Newly Approved in FY2019)

Project Name	Investee/Borrower	Approval Date of PSIF Agreement	Country/Region
Financial Access Improvement Microfinance Project	Gojo & Company, Inc.	2019.08.22	Developing Areas
Project for Impact Investment to Support SMEs	I&P Afrique Entrepreneurs II LP	2019.08.30	Sub-Saharan Africa
Japan ASEAN Women Empowerment Fund (Additional Equity Capital)	Japan ASEAN Women Empowerment Fund	2019.09.03	Asia
Project for Support to Micro, Small and Medium Enterprises through Nikkei Credit Union	Cooperativa de Ahorro y Crédito ABACO	2019.12.18	Peru
Women’s World Banking Capital Partners II	Women’s World Banking Capital Partners II	2020.02.14	Developing Areas
Cocoa Value Chain Enhancement Project	Ghana Cocoa Board	2020.02.14	Ghana
Photovoltaic Power Generation Project in Mexico	Infraestructura Energética Nova, S.A.B.de C.V.	2020.03.26	Mexico
Support for Micro, Small, and Medium Enterprises in India	Mahindra & Mahindra Financial Services Limited	2020.03.27	India
Support for Micro, Small, and Medium Enterprises in Cambodia	Hattha Kaksekar Limited	2020.03.27	Cambodia
Sustainable Forest Industry Support Project	Klabin S.A.	2020.03.31	Brazil
Distributed Solar Power Generation System Project	Banco Cooperativo Sicredi S. A.	2020.03.31	Brazil

14-5 Major Projects of Private-Sector Investment Finance (As of March 31, 2020)

Project Name	Investment Company	Outline of Project	Initial Investment Date	Share Capital (¥1 million)	Invested by JICA (%)	Country/Region
Amazon Aluminium Project	Nippon Amazon Aluminum Co., Ltd.	Production of alumina and smelting of aluminium in the Amazon region	1978.08	55,285	44.9	Brazil
Saudi Arabia Methanol Project	Japan Saudi Arabia Methanol Co., Inc.	Production of methanol in the Al Jubail Industrial Area	1979.12	2,310	30.0	Saudi Arabia
Saudi Arabia Petrochemicals Project	SPDC Ltd.	Production and distribution of ethylene glycol and polyethylene in the Al Jubail Industrial Area	1981.06	14,200	37.1	Saudi Arabia
Bangladesh KAFCO Fertilizer Project	KAFCO Japan Investment Co., Ltd.	Production of urea and ammonia in Chittagong	1990.07	5,024	46.4	Bangladesh
Musi Pulp Production Project	Sumatra Pulp Corporation	Production and distribution of pulp in the South Sumatra Muara Enim Regency	1995.04	100	42.7	Indonesia
JAPAN ASEAN Women Empowerment Fund	JAPAN ASEAN Women Empowerment Fund	Investing in a fund for microfinance institutions to support the empowerment of women in Asia, particularly in ASEAN countries	2016.10	17,887	24.9	ASEAN countries
East West Medical College and Hospital Project	Ship Aichi Medical Service Limited	Establishment and operation of a private general hospital in Dhaka	2019.05	4,419	16.5	Bangladesh

Note: Major projects of equity participation are those with an investment ratio of 20% or more.

14-6 Grants (G/A Signed in FY2019)

(Unit: ¥100 million)

Region/Country	Project Name	Signing Date of Grant Agreement	Grant Agreement Amount
Asia			
Cambodia	The Project for Human Resource Development Scholarship (three-year cycle)	2017.07.14	0.69
	The Project for Human Resource Development Scholarship	2017.07.14	1.23
	The Project for Flood Protection and Drainage Improvement in the Phnom Penh Capital City (Phase IV)	2017.10.10	17.69
	The Project for Urgent Replacement of Bridges in Flood-Prone Areas	2017.11.23	17.27
	The Project for the Construction of Teacher Education Colleges	2017.12.29	21.09
	The Project for Human Resource Development Scholarship	2018.06.22	1.18
	The Project for Human Resource Development Scholarship	2019.06.28	0.36
	The Project for Sewerage System Development in Phnom Penh	2019.11.01	2.04
	The Project for the Expansion of Water Supply System in Pursat	2019.12.20	1.52
Indonesia	The Programme for the Reconstruction of Palu 4 Bridges in Central Sulawesi Province	2019.06.21	25.00
	The Project for Strengthening Disaster Prevention Information System	2019.06.24	19.89
Laos	The Project for Human Resource Development Scholarship	2016.07.08	0.66
	The Project for Human Resource Development Scholarship	2017.06.29	0.97
	The Project for Improving Secondary School Environment in the Central and Southern Provinces	2017.10.25	5.58
	The Project for Human Resource Development Scholarship	2018.06.29	1.07
	The Project for the Expansion of Water Supply System in Luang Prabang City (Detailed Design)	2019.05.28	0.97
	The Project for Human Resource Development Scholarship	2019.07.08	0.36
	The Project for the Expansion of Water Supply System in Luang Prabang City	2019.10.10	1.01
Myanmar	The Project for Human Resource Development Scholarship	2016.06.23	1.39
	The Project for Improvement of Magway General Hospital	2017.04.02	10.10
	The Project for Human Resource Development Scholarship	2017.06.13	2.11
	The Project for the Improvement of Dawei General Hospital	2018.02.06	6.82
	The Project for the Construction of New Yangon Specialist Hospital	2018.03.22	20.51
	The Project for Human Resource Development Scholarship	2018.06.28	2.08
	The Project for the Development of Mandalay Port	2018.10.03	25.79
	The Project for the Improvement of Aircraft Surveillance System	2019.04.29	28.28
	The Project for Human Resource Development Scholarship	2019.07.05	0.54
	The Project for the Development of Japan-Myanmar Aung San Vocational Training Institute	2019.07.29	1.90
	The Project for the Provision of Agricultural Machinery and Construction Equipment in Rural Areas	2019.11.04	4.44
Philippines	The Project for Human Resource Development Scholarship	2017.07.10	0.51
	The Project for Human Resource Development Scholarship (three-year cycle)	2018.06.25	0.87
	The Project for Human Resource Development Scholarship	2018.06.25	1.08
	The Project for Human Resource Development Scholarship	2019.10.31	0.43
Timor-Leste	The Project for Human Resource Development Scholarship	2018.10.12	0.51
	The Project for Human Resource Development Scholarship	2019.06.18	0.30
Viet Nam	The Project for Human Resource Development Scholarship (three-year cycle)	2017.07.11	0.82
	The Project for Human Resource Development Scholarship	2017.07.11	2.65
	The Project for Human Resource Development Scholarship	2018.07.17	2.61
	The Project for Human Resource Development Scholarship	2019.07.31	0.50
	The Project for Enhancing Laboratory Capacities of the Reference Testing and Agrifood Quality Consultancy (RETAQ) Center for Ensuring Safety of Agricultural and Fisheries Foods	2019.10.17	0.59
	The Project for Enhancing Laboratory Capacities of the Reference Testing and Agrifood Quality Consultancy (RETAQ) Center for Ensuring Safety of Agricultural and Fisheries Foods	2019.10.17	1.87
	The Project for Trenchless Sewerage Pipe Rehabilitation in Ho Chi Minh City	2020.02.21	1.32
	The Project for Trenchless Sewerage Pipe Rehabilitation in Ho Chi Minh City	2020.02.21	3.49
	The Project for Trenchless Sewerage Pipe Rehabilitation in Ho Chi Minh City	2020.02.21	9.85

Region/Country	Project Name	Signing Date of Grant Agreement	Grant Agreement Amount
Asia (Continued)			
Mongolia	The Project for Human Resource Development Scholarship	2016.06.30	0.72
	The Project for Human Resource Development Scholarship	2017.06.29	1.01
	The Project for the Improvement of Facilities for Primary and Secondary Education in Ulaanbaatar City	2017.11.30	10.39
	The Project for Human Resource Development Scholarship	2018.06.25	1.06
	The Project for Human Resource Development Scholarship	2019.06.11	0.34
Afghanistan	The Project for Infectious Diseases Prevention for Children	2019.12.04	7.55
	The Project for the Supply of Anti-Tuberculosis Medicines and Diagnostics Kits	2020.03.31	7.64
Bangladesh	The Project for Human Resource Development Scholarship (three-year cycle)	2017.08.08	0.84
	The Project for Human Resource Development Scholarship	2017.08.08	1.50
	The Project for Human Resource Development Scholarship	2018.06.20	1.46
	The Project for the Densification of Global Navigation Satellite System Continuously Operating Reference Station Network and the Modernization of Tidal Stations in Bangladesh	2019.06.30	12.58
	The Project for Human Resource Development Scholarship	2019.06.30	0.47
Bhutan	The Project for Reconstruction of Bridges on Primary National Highway No. 4	2016.12.26	4.91
	The Project for Human Resource Development Scholarship	2018.07.03	0.58
	The Project for Human Resource Development Scholarship	2019.06.20	0.29
	The Project for Improving Solid Waste Management	2020.03.26	5.09
	The Project for Improvement of Farm Machinery for Hiring Services of Tillage (Phase 2)	2020.03.27	4.27
India	The Project for Construction of the International Cooperation and Convention Center in Varanasi	2017.09.15	12.69
Nepal	The Project for Improvement of Water Supply in Pokhara	2017.02.15	13.94
	The Project for Human Resource Development Scholarship	2017.07.07	0.58
	The Project for Human Resource Development Scholarship	2018.07.13	0.95
	The Project for Human Resource Development Scholarship (three-year cycle)	2019.07.22	1.01
	School Sector Development Program	2019.07.22	3.00
	The Project for Human Resource Development Scholarship	2019.07.22	0.62
Pakistan	The Project for Human Resource Development Scholarship	2018.08.31	1.06
	The Project for the Installation of Weather Surveillance Radar in Multan City	2018.08.31	3.77
	The Project for Human Resource Development Scholarship	2019.07.25	0.52
	Project for Agri-food and Agro-industry Development Assistance in Pakistan	2019.08.05	5.60
	The Project for the Extension of Intensive Care at Maternal and Child Health Care Centre and Children's Hospital in Pakistan Institute of Medical Sciences	2019.08.08	1.99
	The Project for the Extension of Intensive Care at Maternal and Child Health Care Centre and Children's Hospital in Pakistan Institute of Medical Sciences	2019.08.08	11.53
	The Project for the Control and Eradication of Poliomyelitis	2019.12.11	4.85
Sri Lanka	The Project for Human Resource Development Scholarship (three-year cycle)	2017.06.30	0.42
	The Project for the Establishment of a Doppler Weather Radar Network	2017.06.30	15.39
	The Project for Human Resource Development Scholarship	2017.06.30	0.85
	The Project for Human Resource Development Scholarship	2018.06.26	0.89
	The Project for Human Resource Development Scholarship	2019.07.17	0.33
Kyrgyz Republic	The Project for Human Resource Development Scholarship	2017.08.15	0.46
	The Project for Human Resource Development Scholarship (three-year cycle)	2018.06.29	0.73
	The Project for Human Resource Development Scholarship	2018.08.23	1.01
	The Project for the Reconstruction of Urmaral River Bridge on Talas-Taraz Road	2019.07.17	1.27
	The Project for the Reconstruction of Urmaral River Bridge on Talas-Taraz Road	2019.07.17	5.63
	The Project for Human Resource Development Scholarship	2019.07.17	0.35

Region/Country	Project Name	Signing Date of Grant Agreement	Grant Agreement Amount
Asia (Continued)			
Tajikistan	The Project for Human Resource Development Scholarship	2016.07.26	0.32
	The Project for Human Resource Development Scholarship	2017.08.11	0.44
	The Project for Human Resource Development Scholarship	2018.10.05	0.50
	The Project for the Provision of Ambulances	2019.07.09	7.71
	The Project for the Rehabilitation of Kizilkala-Bokhtar Section of Dushanbe-Bokhtar Road (Detailed Design)	2019.08.23	1.17
	The Project for the Rehabilitation of Kizilkala-Bokhtar Section of Dushanbe-Bokhtar Road	2019.09.03	3.83
	The Project for Human Resource Development Scholarship	2019.10.31	0.33
	The Project for the Improvement of Medical Equipment in the National Medical Center of Shifobahsh and the State Institution of Republican Scientific Center of Cardiovascular Surgery	2020.02.03	9.57
Uzbekistan	The Project for Human Resource Development Scholarship	2016.07.29	0.52
	The Project for Human Resource Development Scholarship	2017.10.10	0.81
	The Project for Human Resource Development Scholarship	2018.08.10	0.88
	The Project for Human Resource Development Scholarship	2019.08.28	0.36
Pacific			
Kiribati	The Project for Reconstruction of the Nippon Causeway	2016.07.26	0.13
Samoa	The Project for Reconstruction of Vaisigano Bridge	2017.07.27	7.64
Solomon Islands	The Project for the Improvement of the Honiara International Airport	2018.06.15	6.19
Vanuatu	The Project for the Disaster Reconstruction of Teouma Bridge	2019.12.18	1.20
North America and Latin America			
Dominica	The Project for the Rehabilitation of Fishery Buildings and Equipment in Roseau and Marigot	2019.10.09	10.72
Honduras	The Project for Improvement and Extension of Water Supply System in Comayagua City	2017.06.20	11.52
	The Project for the Improvement of the Exhibition Equipment at Museums of the Ruins of Copan	2020.03.12	0.94
Saint Lucia	The Project for Reconstruction of Bridges in Cul-De-Sac Basin	2017.08.09	6.33
Bolivia	El Proyecto de Mejoramiento de la Carretera Okinawa	2018.09.28	14.02
Paraguay	El Proyecto de Adquisicion de los Equipos de Dragado para Rio Paraguay	2018.12.02	12.85
Middle East			
Egypt	The Project for Construction of Outpatient Facility at Cairo University Specialized Pediatric Hospital	2019.06.16	4.23
Jordan	The Project for the Enhancement of Customs Security at Aqaba	2019.07.31	17.03
Palestine	The Project for the Improvement of Medical Equipment	2020.02.24	19.55
Africa			
Africa	The Project for Enhancing Trade Facilitation and Border Control Capacity in East Africa	2019.11.06	3.51
Benin	Le Projet de Construction des Ecoles Primaires dans le Departement de l'Atlantique	2018.01.26	8.76
	Le Projet de Construction de l'Echangeur du Carrefour Vedoko dans la Ville de Cotonou (le Concept Detaille)	2020.03.25	1.23
Burkina Faso	Le Projet d'Amelioration de la Rocade Sud-Est du Boulevard de Tansoba a Ouagadougou	2017.08.18	20.23
Côte d'Ivoire	Le Projet d'Amenagement de l'Echangeur d'Amitie Ivoiro-Japonaise (Phase 2)	2019.01.11	4.85
	Le Projet d'Amenagement du Centre Hospitalier Universitaire de Cocody pour l'Amelioration des Services de Sante Maternelle et Infantile du Grand Abidjan	2019.10.25	2.36
Djibouti	The Project for the Reinforcement of Maritime Transport Capacity at the Gulf of Tadjourah	2019.09.30	3.50
Ethiopia	The Project for Improvement of Water Supply in Bahir Dar City	2017.12.06	6.69
	The Project for the Construction of TICAD Human Resource Development Center for Business and Industry	2018.03.30	7.25
	The Project for the Improvement of Equipment for Road Maintenance in Addis Ababa City	2019.12.16	13.86
Ghana	The Project for Human Resource Development Scholarship	2017.08.02	0.33
	The Project for Human Resource Development Scholarship	2018.07.10	0.52
	The Project for Rehabilitation of National Trunk Road N8 (Phase 2)	2018.12.12	16.42
	The Project for Human Resource Development Scholarship (three-year cycle)	2019.07.17	0.67
	The Project for Human Resource Development Scholarship	2019.10.04	0.54
Guinea	Le Projet de Reconstruction du pont Soumba sur la Route Nationale N°3	2019.07.03	3.14
Liberia	The Project for Reconstruction of Somalia Drive in Monrovia (Phase 2)	2017.03.14	16.59

Region/Country	Project Name	Signing Date of Grant Agreement	Grant Agreement Amount
Africa (Continued)			
Madagascar	Le Projet de Rehabilitation du Systeme d'Irrigation au Sud-Ouest du Lac Alaotra	2017.07.24	7.65
	Le Projet d'Amelioration du Pont de Mangoro et du Pont d'Antsapazana sur la Route Nationale N° 2 (Antananarivo-Toamasina)	2019.09.03	2.77
Malawi	The Project for the Improvement of Main Roads in the City of Lilongwe (Detailed Design)	2019.10.09	0.80
Mozambique	The Project for Construction of Bridges on N380 in Cabo Delgado Province	2017.04.28	6.28
	The Project for the Construction of Secondary Schools in Zambezia Province	2019.12.12	22.83
	The Project for the Development of Nacala Emergency Power Plant	2019.12.12	40.84
Niger	Le Projet de Renforcement de la Capacite de l'Office National des Amenagements Hydro-Agricoles pour la Promotion de la Riziculture Irriguee	2019.10.04	11.94
Nigeria	The Project for Emergency Rehabilitation and Reinforcement of Lagos Transmission Substations	2018.11.23	2.86
	The Project for Strengthening the Diagnostic Capacity of Nigeria Centre for Disease Control	2019.04.09	15.80
	The Project for Strengthening the Capacity of Network Laboratories of the Nigeria Centre for Disease Control	2020.03.03	20.05
Rwanda	The Project for Rehabilitation of Irrigation Facilities in Rwamagana District	2017.03.31	8.94
	The Project for Strengthening Nzove - Ntora Principal Water Transmission Pipeline in Kigali City	2019.01.09	11.26
Senegal	Le Projet de Rehabilitation du Mole 3 du Port de Dakar	2017.03.27	10.33
	Le Projet d'Amelioration des Equipements du Centre de Formation Professionnelle et Technique SENEGAL-JAPON pour le Renforcement du Developpement des Ressources Humaines dans le Secteur Industriel	2019.12.11	4.95
South Sudan	The Project for the Improvement of Water Supply System of Juba in South Sudan	2019.12.06	14.70
Tanzania	The Project for Widening of New Bagamoyo Road (Phase 2)	2018.02.28	18.75
Uganda	The Project for the Development of Irrigation System in Atari Basin Area	2018.11.06	1.62
	The Project for the Improvement of Traffic Control in Kampala City	2019.08.16	3.97
Europe			
North Macedonia	The Project for the Improvement of Musical Instruments, Sound and Lighting Equipment for the National Opera and Ballet	2019.12.11	0.80
	Total 147 Projects (49 Countries and Regions)		856.46

Note: Amounts are calculated based on the FY2019 budget; they do not correspond to the amount of Grant Agreements (G/As) concluded in FY2019.

Financial Statements

1 General Account

Balance Sheet (as of March 31, 2020)

Assets				
I. Current assets				
Cash and deposits		232,485,108,475		
Inventories				
Stored goods	362,761,806			
Payments for uncompleted contracted programs	126,390,594	489,152,400		
Advance payments		20,714,636,966		
Prepaid expenses		38,919,925		
Accrued income		360,479		
Accounts receivable		3,902,346,930		
Contra-accounts for provision for bonuses*		1,197,382,912		
Short-term loans for development projects	17,500,000			
Allowance for loan losses	(4,400)	17,495,600		
Short-term loans for emigration projects	441,671			
Allowance for loan losses	(175,697)	265,974		
Goods in transit		58,956,538		
Suspense payments		71,531,768		
Advance paid		1,997,108		
Total current assets			258,978,155,075	
II. Non-current assets				
1. Tangible assets				
Buildings	42,201,681,136			
Accumulated depreciation	(20,192,600,826)			
Accumulated impairment loss	(450,561,179)	21,558,519,131		
Structures	1,630,343,386			
Accumulated depreciation	(1,173,111,425)			
Accumulated impairment loss	(10,529,587)	446,702,374		
Machinery and equipment	250,029,322			
Accumulated depreciation	(132,528,539)	117,500,783		
Vehicles	2,415,226,970			
Accumulated depreciation	(1,306,020,611)	1,109,206,359		
Tools, furniture, and fixtures	2,234,349,158			
Accumulated depreciation	(1,337,505,893)	896,843,265		
Land	14,398,036,458			
Accumulated impairment loss	(75,127,977)	14,322,908,481		
Construction in progress		198,838,753		
Total tangible assets		38,650,519,146		
2. Intangible assets				
Trademark rights		899,200		
Telephone subscription rights		1,786,900		
Software		3,821,385,243		
Software in progress		248,168,895		
Total intangible assets		4,072,240,238		
3. Investments and other assets				
Long-term deposits		216,000,000		
Long-term loans for development projects	71,500,000			
Allowance for loan losses	0	71,500,000		
Long-term loans for emigration projects	12,494,246			
Allowance for loan losses	(12,231,456)	262,790		
Claims probable in bankruptcy, claims probable in rehabilitation, and other pertaining to loans for emigration projects	305,462,858			
Allowance for loan losses	(305,462,858)	0		
Long-term prepaid expenses		5,906,653		
Expected amount to be granted from the national budget*		951,344		
Contra-accounts for provision for retirement benefits*		14,981,855,911		
Long-term guarantee deposits		1,619,386,264		
Total investments and other assets		16,895,862,962		
Total non-current assets			59,618,622,346	
Total assets				318,596,777,421

(Unit: Yen)

Liabilities			
I. Current liabilities			
Operational grant liabilities*	40,669,296,449		
Funds for grant aid	178,788,340,785		
Donations received*	333,902,332		
Accounts payable	20,009,071,826		
Accrued expenses	247,851,892		
Lease obligations	89,813,784		
Advance payments received	395,319,379		
Deposits received	502,520,564		
Unearned revenue	385,000		
Provision for bonuses	1,197,382,912		
Suspense receipts	49,411		
Total current liabilities		242,233,934,334	
II. Non-current liabilities			
Contra-accounts for assets*	7,872,893,379		
Long-term lease obligations	165,136,134		
Long-term deposits received	48,139,633		
Provision for retirement benefits	14,981,855,911		
Asset retirement obligations	276,125,850		
Total non-current liabilities		23,344,150,907	
Total liabilities			265,578,085,241
Net assets			
I. Capital			
Government investment	62,452,442,661		
Total capital		62,452,442,661	
II. Capital surplus			
Capital surplus	6,149,602,519		
Accumulated other administrative service operation costs*			
Accumulated depreciation not included in expenses*	(21,029,534,058)		
Accumulated impairment loss not included in expenses*	(537,303,803)		
Accumulated interest expenses not included in expenses*	(7,189,037)		
Accumulated disposal and sale differential not included in expenses*	(7,017,469,587)		
Total capital surplus		(22,441,893,966)	
III. Retained earnings			
Reserve fund carried over from the previous Mid-term Objective period*	2,415,736,764		
Reserve fund	7,471,586,861		
Unappropriated income for the current business year	3,120,819,860		
[Total income for the current business year]	[3,120,819,860]		
Total retained earnings		13,008,143,485	
Total net assets			53,018,692,180
Total liabilities and net assets			318,596,777,421

* Accounts prepared in accordance with special accounting practices of incorporated administrative agencies.

Statement of Administrative Service Operation Cost (April 1, 2019–March 31, 2020)

(Unit: Yen)

I. Expenses in the statement of income		
Operating expenses	225,326,398,473	
General administrative expenses	8,989,311,684	
Financial expenses	107,581,275	
Specific purpose expenses	250,376,549	
Miscellaneous losses	151,680	
Extraordinary losses	16,056,808,645	
Total expenses in the statement of income		250,730,628,306
II. Other administrative service operation costs		
Depreciation not included in expenses*	850,304,160	
Disposal and sale differential not included in expenses*	595,778,518	
Total other administrative service operation costs		1,446,082,678
III. Administrative service operation cost		252,176,710,984

* Accounts prepared in accordance with special accounting practices of incorporated administrative agencies.

Statement of Income (April 1, 2019–March 31, 2020)

(Unit: Yen)

Ordinary expenses			
Operating expenses			
Expenses for priority sectors and regions	71,030,394,086		
Expenses for private sector partnership	4,478,566,792		
Expenses for domestic partnership	17,184,430,910		
Expenses for other operations	3,216,588,833		
Expenses for operation support	38,805,895,203		
Expenses for grant aid	89,235,571,294		
Expenses for facilities	52,107,613		
Expenses for contracted programs	9,017,480		
Expenses for donation projects	109,998,710		
Depreciation	1,203,827,552	225,326,398,473	
General administrative expenses		8,989,311,684	
Financial expenses			
Foreign exchange losses	107,581,275	107,581,275	
Specific purpose expenses		250,376,549	
Miscellaneous losses		151,680	
Total ordinary expenses			234,673,819,661
Ordinary revenues			
Revenues from operational grants*		137,012,969,600	
Revenues from grant aid		89,235,571,294	
Revenues from contracted programs			
Revenues from contracted programs from Japanese government and local governments	6,540,948		
Revenues from contracted programs from other parties	6,916,924	13,457,872	
Revenues from interest on development projects		249,620	
Revenues from emigration projects		204,458	
Revenues from subsidy for facilities*		51,156,269	
Revenues from expected amount to be granted from the national budget*		951,344	
Donations*		109,998,710	
Reversal of allowance for loan losses		14,822,279	
Revenues from contra-accounts for provision for bonuses*		1,197,382,912	
Revenues from contra-accounts for provision for retirement benefits*		1,097,411,218	
Reversal of contra-accounts for assets*		1,202,702,150	
Financial revenues			
Interest income	5,865,203	5,865,203	
Miscellaneous income		3,407,281,866	
Total ordinary revenues			233,350,024,795
Ordinary loss			1,323,794,866
Extraordinary losses			
Loss on disposal of non-current assets		37,178,609	
Loss on sales of non-current assets		2,840,418	
Provision for bonuses due to revision of accounting standards		1,149,179,910	
Provision for retirement benefits due to revision of accounting standards		14,867,609,708	16,056,808,645
Extraordinary income			
Gain on sales of non-current assets		25,636,410	
Gain on contra-accounts for provision for bonuses*		1,149,179,910	
Gain on contra-accounts for provision for retirement benefits*		14,867,609,708	16,042,426,028
Net loss			1,338,177,483
Reversal of reserve fund carried over from the previous Mid-term Objective period*			4,458,997,343
Total income for the current business year			3,120,819,860

* Accounts prepared in accordance with special accounting practices of incorporated administrative agencies.

Statement of Changes in Net Assets (April 1, 2019–March 31, 2020)

(Unit: Yen)

	I. Capital		II. Capital surplus					
				Accumulated other administrative service operation cost				
	Government investment	Total capital	Capital surplus	Accumulated depreciation not included in expenses	Accumulated impairment loss not included in expenses	Accumulated interest expenses not included in expenses	Accumulated disposal and sale differential not included in expenses	Total capital surplus
Balance at the beginning of the business year	62,452,442,661	62,452,442,661	5,188,699,203	(20,179,229,898)	(537,303,803)	(7,189,037)	(6,421,691,069)	(21,956,714,604)
Changes during the period								
I. Changes in capital during the period								
II. Changes in capital surplus during the period								
Purchase of non-current assets			862,694,333					862,694,333
Sale and retirement of non-current assets				329,148,381			(595,778,518)	(266,630,137)
Depreciation				(1,179,452,541)				(1,179,452,541)
Increase in long-term guarantee deposits			98,208,983					98,208,983
III. Changes in retained earnings (loss carried forward) during the period								
(1) Appropriation of income or loss								
Increase in reserve fund derived from profit appropriation								
(2) Others								
Net income (Net loss)								
Reversal of reserve fund carried over from the previous Mid-term Objective period								
Total changes during the period	—	—	960,903,316	(850,304,160)	—	—	(595,778,518)	(485,179,362)
Balance at the end of the business year	62,452,442,661	62,452,442,661	6,149,602,519	(21,029,534,058)	(537,303,803)	(7,189,037)	(7,017,469,587)	(22,441,893,966)

	III. Retained earnings (Loss carried forward)					Total net assets
	Reserve fund carried over from the previous Mid-term Objective period	Reserve fund	Unappropriated income for the current business year (Unappropriated loss for the current business year)	Total income for the current business year (Total loss for the current business year)	Total retained earnings (Loss carried forward)	
Balance at the beginning of the business year	7,013,416,150	4,303,840,433	3,167,746,428	3,167,746,428	14,485,003,011	54,980,731,068
Changes during the period						
I. Changes in capital during the period						
II. Changes in capital surplus during the period						
Purchase of non-current assets	(138,682,043)				(138,682,043)	724,012,290
Sale and retirement of non-current assets						(266,630,137)
Depreciation						(1,179,452,541)
Increase in long-term guarantee deposits						98,208,983
III. Changes in retained earnings (loss carried forward) during the period						
(1) Appropriation of income or loss						
Increase in reserve fund derived from profit appropriation		3,167,746,428	(3,167,746,428)	(3,167,746,428)	—	—
(2) Others						
Net income (Net loss)			(1,338,177,483)	(1,338,177,483)	(1,338,177,483)	(1,338,177,483)
Reversal of reserve fund carried over from the previous Mid-term Objective period	(4,458,997,343)		4,458,997,343	4,458,997,343	—	—
Total changes during the period	(4,597,679,386)	3,167,746,428	(46,926,568)	(46,926,568)	(1,476,859,526)	(1,962,038,888)
Balance at the end of the business year	2,415,736,764	7,471,586,861	3,120,819,860	3,120,819,860	13,008,143,485	53,018,692,180

(Note) The balance of capital surplus in the balance sheet as of March 31, 2019 is not consistent with the balance of capital surplus at the beginning of the period in the statement of changes in net assets for the business year ended March 31, 2020.

Statement of Cash Flows (April 1, 2019–March 31, 2020)

(Unit: Yen)

I. Cash flows from operating activities	
Payments of operating expenses	(120,976,687,599)
Payments for grant aid	(88,120,694,229)
Payments for contracted programs	(91,204,504)
Payments of personnel expenses	(17,345,605,830)
Payments of specific purpose expenses	(235,937,474)
Payments for other operations	(874,290,389)
Proceeds from operational grants	150,476,059,000
Proceeds from grant aid	93,258,121,237
Proceeds from contracted programs	43,690,708
Proceeds from interest on loans	482,697
Proceeds from donations	45,947,184
Proceeds from other operations	4,381,335,209
Subtotal	20,561,216,010
Interest income received	5,884,319
Payments to national treasury	(28,987,722)
Net cash provided by operating activities	20,538,112,607
II. Cash flows from investing activities	
Payments for purchase of non-current assets	(2,704,321,794)
Proceeds from sales of non-current assets	39,175,152
Proceeds from collection of loans	57,337,102
Payments into time deposits	(60,000,000,000)
Proceeds from time deposit refund	60,300,000,000
Payments into long-term deposits	(216,000,000)
Net cash used in investing activities	(2,523,809,540)
III. Cash flows from financing activities	
Repayments of lease obligations	(115,486,847)
Net cash used in financing activities	(115,486,847)
IV. Effect of exchange rate changes on funds	(39,624,973)
V. Net increase (decrease) in funds	17,859,191,247
VI. Funds at the beginning of the business year	208,625,917,228
VII. Funds at the end of the business year	226,485,108,475

Significant Accounting Policies

Effective the year ended March 31, 2020, JICA adopted the "Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies" (February 16, 2000 (Revised September 3, 2018), and the "Q&A on Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies" (August 2000 (Last revised March 2019)).

1 Revenue recognition method of operational grants

Revenue from operational grants is recognized based on the level of operational achievement.

The revenue recognition method based on term is applied for administrative operations except the operations which have been specified as having a direct correlation between the operational achievement and operational grants.

The revenue from disaster relief operations, which are relief operations for unexpected disasters during the period, is recognized as the related expenses are incurred, since it is difficult to estimate the budget and terms, and specify a correlation between the operational achievement and operational grants.

2 Depreciation method

(1) Tangible assets (except for lease assets)

Straight-line method

The useful lives of major assets are as follows:

Buildings:	1–50 years
Structures:	1–42 years
Machinery and equipment:	1–17 years
Vehicles:	2– 6 years
Tools, furniture, and fixtures:	1–15 years

The estimated depreciation costs for specific depreciable assets (Accounting Standard for Incorporated Administrative Agencies No. 87) and specific removal costs, etc., associated with asset retirement obligations (Accounting Standard for Incorporated Administrative Agencies No. 91) are indirectly deducted from capital surplus and reported as accumulated depreciation not included in expenses.

(2) Intangible assets (except for lease assets)

Straight-line method

Software used by JICA is depreciated over its useful life (5 years).

(3) Lease assets

Lease assets are depreciated by the straight-line method over the lease term. Depreciation for lease assets is calculated with zero residual value being assigned to the asset.

3 Provision for bonuses

The provision for bonuses is calculated and provided for based on estimated amounts of future payments attributable to the services that have been rendered by officers and employees applicable to the current business year. Contra-accounts for provision for bonuses are equally accrued since the financial source is secured by operational grants.

(Changes in accounting policy)

Pursuant to the revision of Accounting Standards for Incorporated Administrative Agencies, accounting treatment for provision of bonuses has been revised. Provision for bonuses which the financial source is secured by operational grants is now required to be accrued where an accrual was not required in previous years. There is no impact on profit or loss due to this revision.

4 Provision for retirement benefits

The provision for retirement benefits is calculated and provided for based on estimated amounts of future payments attributable to the retirement of employees, and is accrued in line with the retirement benefit obligations and estimated plan assets applicable to the business year ended March 31, 2020. In calculating the retirement benefit obligations, the estimated amount of retirement benefit payments is attributed to the period based on the straight-line basis. The profit and loss appropriation method for actuarial differences and past service costs is as follows:

Actuarial differences are recognized as a lump-sum gain or loss in the business year in which they occur.

Past service costs are recognized as a lump-sum gain or loss in the business year in which they occur.

The financial source for lump-sum severance indemnities is secured by operational grants. The estimated amount of retirement benefits are reported as retirement benefits obligations and contra-accounts for provision for retirement benefits. Therefore an equal amount is accrued for both accounts. The financial source for defined benefit corporate pension plan insurance fees and reserve shortfall is secured by operational grants. Therefore an equal amount of provision for retirement benefits is accrued as contra-accounts for provision for retirement benefits.

(Changes in accounting policy)

Pursuant to the revision of Accounting Standards for Incorporated Administrative Agencies, accounting treatment for provision of retirement benefits has been revised. Provision for retirement benefits and defined benefit corporate pension plan insurance fees and reserve shortfall which the financial source is secured by operational grants is now required to be accrued where an accrual was not required in previous years. There is no impact on profit or loss due to this revision.

5 Basis and standard for the accrual of allowance and loss contingencies

Allowance for loan losses

To provide for loan losses, JICA records the estimated amount of default as an allowance, taking into account the transition rate to delinquent loans for the ordinary loans. For doubtful loans, collectability is individually taken into consideration and the estimated amount of default is recorded as an allowance.

6 Standard and method for the valuation of inventories

Stored goods

Stored goods valuation is based on the lower of cost or market using the first-in, first-out (FIFO) method.

7 Translation standard for foreign currency-denominated assets and liabilities into yen

Foreign currency monetary claims and liabilities are translated into Japanese yen at the spot exchange rate at the balance sheet date. Exchange differences are recognized as profit or loss.

8 Standard for expected amount to be granted from the national budget

For the expenses related to facilities for which JICA receives a subsidy, the expected amount to be granted from the national budget in the upcoming business years is reported as asset and revenue according to Accounting Standard for Incorporated Administrative Agency No.84.

9 Accounting treatment for consumption taxes

Consumption taxes and local consumption taxes are included in transaction amounts.

10 Changes in reporting

Accumulated depreciation not included in expenses, accumulated impairment loss not included in expenses, and accumulated interest expense not included in expenses were reported as a deduction in capital surplus in previous years. Pursuant to the revision of Accounting Standards for Incorporated Administrative Agencies, the expenses previously noted are reported as accumulated depreciation not included in expenses, accumulated impairment loss not included in expenses, and accumulated interest expense not included in expenses under accumulated other administrative service operation cost from the current business year.

Accumulated disposal and sale differential not included in expenses was included in capital surplus in previous years. Pursuant to the revision of Accounting Standards for Incorporated Administrative Agencies, the certain amounts excluding the amounts related to differences on payments to national treasury are separately presented as accumulated disposal and sale differential not included in expenses under accumulated other administrative service operation cost from the current business year.

Accordingly, the beginning balance of capital surplus increased by ¥6,421,691,069 and the beginning balance of accumulated disposal and sale differential not included in expenses decreased by ¥6,421,691,069.

Notes to the financial statements

(Balance Sheet)

1 Donated funds for grant aid

Grant aid is received in the form of donated funds from the government of Japan. JICA administers this grant aid based on grant agreements with the government of the recipient country. At the end of the business year 2019, the outstanding balance of unexecuted grant agreements stood at ¥277,688,607,564.

2 Assets acquired through the investment from the government to Incorporated Administrative Agency

Of accumulated other administrative service operation cost, the amount of assets acquired through the investment from the government is ¥22,409,189,800.

(Statement of Accumulated Other Administrative Service Operation Cost)

1 Cost being borne by the public for the operation of Incorporated Administrative Agency

Administrative service operation cost	¥252,176,710,984
Self-revenues, etc.	¥(3,577,516,418)
Opportunity cost	¥19,043,043
Cost being borne by the public for the operation of Incorporated Administrative Agency	¥248,618,237,609

2 Method for computing opportunity cost

(1) Interest rate used to compute opportunity cost concerning government investment

0.005% with reference to the yield of 10-year fixed-rate Japanese government bonds at March 31, 2020.

(2) Method for computing opportunity cost for public officers temporarily transferred to JICA

Of the estimated increase in retirement allowance during service rendered in JICA, costs are calculated in accordance with JICA's internal rules.

3 Of extraordinary losses, provision for bonuses due to revision of accounting standards is ¥1,149,179,910 and provision for retirement benefits due to revision of accounting standards is ¥14,867,609,708. These losses relate to business years prior to the year ended March 31, 2019.

(Statement of Income)

The provision for bonuses due to revision of accounting standards recorded as extraordinary losses is ¥1,149,179,910 and the provision for retirement benefits due to revision of accounting standards recorded as extraordinary losses is ¥14,867,609,708. These losses relate to business years prior to the year ended March 31, 2019.

Gains on contra-accounts for provision for bonuses and provision for retirement benefits are recorded as extraordinary income. These gains were recognized at the beginning of the period due to the revision of the the accounting standards and amount to ¥1,149,179,910 and ¥14,867,609,708 respectively.

(Statement of Cash Flows)

The funds shown in the statement of cash flows consist of cash, deposit accounts, and checking accounts.

1 Breakdown of balance sheet items and ending balance of funds

(as of March 31, 2020)

Cash and deposits	¥232,485,108,475
Time deposits	¥(6,000,000,000)
Ending balance of funds	¥226,485,108,475

2 Description of significant non-cash transactions

Assets acquired under finance leases

Tools, furniture, and fixtures	¥27,654,560

(Financial Instruments)

1 Status of financial instruments

The General Account's fund management is limited to short-term deposits and public and corporate bonds while fund-raising consists mainly of operational grants approved by the competent minister. The General Account does not borrow from the government fund for Fiscal Investment and Loan Program (FILP), nor does it borrow funds from financial institutions or issue FILP Agency Bonds.

2 Fair value of financial instruments

Balance sheet amount, fair value, and difference at the balance sheet date are as follows:

(Unit: Yen)

	Balance sheet amount	Fair value	Difference
(1) Cash and deposits	232,485,108,475	232,485,108,475	0
(2) Accounts payable	(20,009,071,826)	(20,009,071,826)	0

* Liabilities are shown in parentheses ( ).

(Note) Calculation method for fair value of financial instruments and matters concerning accounts payable

[1] Cash and deposits

Cash and deposits are valued at book value because fair value approximates book value since these items are settled in a short period of time.

[2] Accounts payable

Accounts payable are valued at book value because fair value approximates book value since these items are settled in a short period of time.

(Retirement benefits)

1 Overview of retirement benefit plans

To provide retirement benefits for employees, JICA has a defined benefit pension plan comprised of a defined benefit corporate pension plan and a lump-sum severance indemnity plan, and a defined contribution plan comprised of a defined contribution pension plan.

2 Defined benefit pension plan

(1) The changes in the retirement benefit obligation are as follows:

(Unit: Yen)

Retirement benefit obligation at the beginning of the business year	23,158,662,420
Current service cost	956,778,466
Interest cost	119,530,109
Actuarial differences	55,776,716
Retirement benefit paid	(1,320,025,883)
Past service cost	0
Contribution by employees	58,520,314
Retirement benefit obligation at the end of the business year	23,029,242,142

(2) The changes in the plan assets are as follows:

(Unit: Yen)

Plan assets at the beginning of the business year	8,291,052,712
Expected return on plan assets	165,821,054
Actuarial differences	(524,114,747)
Contribution by the company	392,967,766
Retirement benefit paid	(336,860,868)
Contribution by the employees	58,520,314
Plan assets at the end of the business year	8,047,386,231

(3) Reconciliation of the projected benefit obligations and plan assets and provision for retirement benefits and prepaid pension expenses in the balance sheets

(Unit: Yen)

Funded retirement benefit obligation	10,069,133,944
Plan assets	(8,047,386,231)
Unfunded benefit obligations of funded pension plan	2,021,747,713
Unfunded benefit obligations of unfunded pension plan	12,960,108,198
Subtotal	14,981,855,911
Unrecognized actuarial differences	0
Unrecognized past service cost	0
Net amount of assets and liabilities in the balance sheets	14,981,855,911
Provision for retirement benefits	14,981,855,911
Prepaid pension expenses	0
Net amount of assets and liabilities in the balance sheets	14,981,855,911

(4) Components of retirement benefit expenses

(Unit: Yen)

Current service cost	956,778,466
Interest cost	119,530,109
Expected return on plans assets	(165,821,054)
Realized actuarial differences	579,891,463
Amortization of past service cost	0
Extraordinary additional retirement payments	0
Total	1,490,378,984

(5) Major components of plan assets

Percentages of components to the total are as follows:

Bonds	38%
Stocks	32%
General account of life insurance company	20%
Others	10%
Total	100%

(6) Method of determining the long-term expected rate of return on plan assets

The long-term expected rate of return on plan assets is determined based on components of plan assets, the actual historical returns, and market condition, etc.

(7) Assumptions used

Principal assumptions used in actuarial calculations at the end of the business year

Discount rate	Defined benefit corporate pension plan	0.23%
	Retirement benefits	0.74%
Long-term expected rate of return on plan assets		2.00%

3 Defined contribution plan

The amount of contribution required to be made to the defined contribution plan is ¥44,454,776.

(Lease transactions)

1 Future minimum lease payments related to operating lease transactions

Future minimum lease payments due within one year of the balance sheet date ¥27,440,911

Future minimum lease payments corresponding to periods more than one year from the balance sheet date ¥24,889,751

2 The impact of the finance lease transactions on the current business year's profits and losses was ¥6,091,809. Total income for the current business year after the deduction of this amount was ¥3,114,728,051.

(Asset retirement obligations)

JICA has a building lease agreement for its head office building, and has obligations to restore the building to its original state at the termination of the lease period. Therefore, these asset retirement obligations have been recorded. The estimate for the asset retirement obligations assumes a five-year lease period for the projected period of use and a discount rate of 0.529%.

The balance of the asset retirement obligations at the end of the current business year was ¥276,125,850.

(Significant contractual liabilities)

N/A

(Significant subsequent events)

N/A

The financial statements have been audited by an accounting auditor as prescribed in Article 39 of the Act on General Rules for Incorporated Administrative Agencies.

2 Finance and Investment Account

Balance Sheet (as of March 31, 2020)

Assets				
I. Current assets				
Cash and deposits		180,955,826,489		
Loans	12,614,846,099,374			
Allowance for loan losses	(142,052,753,983)	12,472,793,345,391		
Advance payments		16,209,089,386		
Prepaid expenses		10,641,604		
Accrued income				
Accrued interest on loans	25,929,096,839			
Accrued commitment charges	405,875,382			
Accrued interest	44,731,372	26,379,703,593		
Accounts receivable		1,195,900,211		
Goods in transit		16,317,462		
Suspense payments		47,470,872		
Advances paid		193,614		
Short-term guarantee deposits		8,630,000,000		
Total current assets			12,706,238,488,622	
II. Non-current assets				
1. Tangible assets				
Buildings	4,030,423,078			
Accumulated depreciation	(1,229,114,042)			
Accumulated impairment loss	(664,850,656)	2,136,458,380		
Structures	98,256,953			
Accumulated depreciation	(30,025,751)			
Accumulated impairment loss	(11,670,468)	56,560,734		
Machinery and equipment	199,154,780			
Accumulated depreciation	(75,487,995)			
Accumulated impairment loss	(102,287,680)	21,379,105		
Vehicles	551,924,127			
Accumulated depreciation	(265,977,287)	285,946,840		
Tools, furniture, and fixtures	779,093,874			
Accumulated depreciation	(521,720,646)	257,373,228		
Land	12,703,270,000			
Accumulated impairment loss	(6,091,196,973)	6,612,073,027		
Construction in progress		321,626		
Total tangible assets		9,370,112,940		
2. Intangible assets				
Trademark rights		223,818		
Software		5,299,618,858		
Software in progress		355,029,191		
Total intangible assets		5,654,871,867		
3. Investments and other assets				
Investment securities		3,875,388,472		
Shares of affiliated companies		46,732,120,903		
Money held in trust		52,912,364,816		
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239			
Allowance for loan losses	(87,062,884,239)	0		
Long-term prepaid expenses		1,311,036		
Long-term guarantee deposits		679,312,894		
Total investments and other assets		104,200,498,121		
Total non-current assets			119,225,482,928	
Total assets				12,825,463,971,550

(Unit: Yen)

Liabilities				
I. Current liabilities				
Current portion of borrowings from government fund for Fiscal Investment and Loan Program		106,613,302,000		
Accounts payable		8,424,523,601		
Accrued expenses		5,779,381,916		
Derivatives		11,632,988,540		
Lease obligations		147,443,564		
Deposits received		11,615,308,071		
Unearned revenue		2,643,574		
Provisions				
Provision for bonuses	336,838,488			
Provision for contingent losses	2,042,877,932	2,379,716,420		
Suspense receipts		359,190,096		
Total current liabilities			146,954,497,782	
II. Non-current liabilities				
Bonds		791,079,300,000		
Discounts on bonds payable		(340,991,560)		
Borrowings from government fund for Fiscal Investment and Loan Program		1,962,569,056,000		
Long-term lease obligations		39,817,171		
Long-term deposits received		5,586,963,087		
Provision for retirement benefits		4,225,651,668		
Asset retirement obligations		70,374,150		
Total non-current liabilities			2,763,230,170,516	
Total liabilities				2,910,184,668,298
Net assets				
I. Capital				
Government investment		8,150,727,840,510		
Total capital			8,150,727,840,510	
II. Retained earnings				
Reserve fund		1,703,880,995,457		
Unappropriated income for the current business year		95,644,581,991		
[Total income for the current business year]		[95,644,581,991]		
Total retained earnings			1,799,525,577,448	
III. Valuation and translation adjustments				
Valuation difference on available-for-sale securities		6,492,694,355		
Deferred gains or losses on hedges		(41,466,809,061)		
Total valuation and translation adjustments			(34,974,114,706)	
Total net assets				9,915,279,303,252
Total liabilities and net assets				12,825,463,971,550

Statement of Administrative Service Operation Cost (April 1, 2019–March 31, 2020)

(Unit: Yen)

I. Expenses in the statement of income		
Expenses related to operations of cooperation through finance and investment	86,836,506,649	
Extraordinary losses	8,736,371	
Total expenses in the statement of income		86,845,243,020
II. Administrative service operation cost		86,845,243,020

Statement of Income (April 1, 2019–March 31, 2020)

(Unit: Yen)

Ordinary expenses			
Expenses related to operations of cooperation through finance and investment			
Interest on bonds and notes	9,515,197,208		
Interest on borrowings	21,707,037,722		
Interest on interest rate swaps	6,221,717,774		
Other Interest expenses	723,257		
Operations outsourcing expenses	29,137,663,373		
Bond issuance cost	361,143,401		
Personnel expenses	4,169,865,831		
Provision for bonuses	336,838,488		
Retirement benefit expenses	432,554,856		
Operating and administrative expenses	12,295,523,154		
Depreciation	1,725,715,015		
Taxes	95,043,215		
Other operating expenses	837,483,355	86,836,506,649	
Total ordinary expenses			86,836,506,649
Ordinary revenues			
Revenues from operations of cooperation through finance and investment			
Interest on loans	131,739,115,244		
Interest on bonds	47,943		
Dividends on investments	15,851,572,120		
Commissions	2,589,758,586		
Foreign exchange gains	1,311,196,125		
Gain on valuation of investment securities	11,097,174		
Gain on sales of investment securities	2,004,913,517		
Gain on valuation of shares of affiliated companies	15,961,319		
Gain on investment in money held in trust	199,123,265		
Reversal of provision for allowance for loan losses	19,921,761,980		
Reversal of provision for allowance for contingent losses	7,242,738,843		
Other ordinary revenues	17,089,890	180,904,376,006	
Financial revenues			
Interest income	686,901,158	686,901,158	
Miscellaneous income		875,333,659	
Recoveries of written-off claims		19,878,116	
Total ordinary revenues			182,486,488,939
Ordinary income			95,649,982,290
Extraordinary losses			
Loss on disposal of non-current assets		8,281,721	
Loss on sales of non-current assets		454,650	8,736,371
Extraordinary income			
Gain on sales of non-current assets		3,336,072	3,336,072
Net income			95,644,581,991
Total income for the current business year			95,644,581,991

Statement of Changes in Net Assets (April 1, 2019–March 31, 2020)

(Unit: Yen)

	I. Capital		II. Retained earnings (Loss carried forward)			
	Government investment	Total capital	Reserve fund	Unappropriated income for the current business year (Unappropriated loss for the current business year)	Total income for the current business year (Total loss for the current business year)	Total retained earnings (loss carried forward)
Balance at the beginning of the business year	8,083,417,840,510	8,083,417,840,510	1,626,109,623,623	77,771,371,834	77,771,371,834	1,703,880,995,457
Changes during the period						
I. Changes in capital during the period						
Receipts of investment	67,310,000,000	67,310,000,000				
II. Changes in retained earnings (loss carried forward) during the period						
(1) Appropriation of income or loss						
Increase in reserve fund derived from profit appropriation			77,771,371,834	(77,771,371,834)	(77,771,371,834)	—
(2) Others						
Net income (Net loss)				95,644,581,991	95,644,581,991	95,644,581,991
III. Changes in valuation and translation adjustments during the period						
Total changes during the period	67,310,000,000	67,310,000,000	77,771,371,834	17,873,210,157	17,873,210,157	95,644,581,991
Balance at the end of the business year	8,150,727,840,510	8,150,727,840,510	1,703,880,995,457	95,644,581,991	95,644,581,991	1,799,525,577,448

	III. Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of the business year	3,390,920,585	(47,360,281,584)	(43,969,360,999)	9,743,329,474,968
Changes during the period				
I. Changes in capital during the period				
Receipts of investment				67,310,000,000
II. Changes in retained earnings (loss carried forward) during the period				
(1) Appropriation of income or loss				
Increase in reserve fund derived from profit appropriation				—
(2) Others				
Net income (Net loss)				95,644,581,991
III. Changes in valuation and translation adjustments during the period	3,101,773,770	5,893,472,523	8,995,246,293	8,995,246,293
Total changes during the period	3,101,773,770	5,893,472,523	8,995,246,293	171,949,828,284
Balance at the end of the business year	6,492,694,355	(41,466,809,061)	(34,974,114,706)	9,915,279,303,252

Statement of Cash Flows (April 1, 2019–March 31, 2020)

(Unit: Yen)

I. Cash flows from operating activities	
Payments for loans	(1,090,516,473,654)
Repayments of borrowings from the private sector	(33,361,189,500)
Repayments of borrowings from government fund for Fiscal Investment and Loan Program	(200,151,638,000)
Redemption of bonds	(67,305,000,000)
Interest expenses paid	(35,405,619,880)
Payments for personnel expenses	(4,888,660,033)
Payments for other operations	(58,611,500,090)
Proceeds from collection of loans	779,398,164,191
Proceeds from borrowings from the private sector	33,344,089,600
Proceeds from borrowings from government fund for Fiscal Investment and Loan Program	231,900,000,000
Proceeds from issuance of bonds	59,638,856,599
Proceeds from interest on loans	128,416,287,016
Proceeds from commissions	2,345,530,035
Proceeds from other operations	37,629,700,025
Subtotal	(217,567,453,691)
Interest and dividend income received	16,767,558,124
Net cash used in operating activities	(200,799,895,567)
II. Cash flows from investing activities	
Payments for purchase of non-current assets	(1,570,214,425)
Proceeds from sales of non-current assets	10,080,691
Payments for purchase of investment securities	(2,037,700,549)
Proceeds from sales and redemption of investment securities	4,213,505,817
Payments for purchase of shares of affiliated companies	(2,673,662,500)
Payments for increase of money held in trust	(8,104,730,697)
Proceeds from decrease of money held in trust	1,328,350,000
Payments into time deposits	(82,220,115,000)
Proceeds from time deposit refund	95,638,625,000
Payments for purchase of negotiable deposits	(20,000,000,000)
Proceeds from refund of negotiable deposits	20,000,000,000
Net cash provided by investing activities	4,584,138,337
III. Cash flows from financing activities	
Repayments of lease obligations	(153,960,574)
Receipts of government investment	67,310,000,000
Net cash provided by financing activities	67,156,039,426
IV. Effect of exchange rate fluctuation on funds	68,329
V. Net increase (decrease) in funds	(129,059,649,475)
VI. Funds at the beginning of the business year	304,617,625,964
VII. Funds at the end of the business year	175,557,976,489

Significant Accounting Policies

Effective the year ended March 31, 2020, JICA adopted the "Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies" (February 16, 2000 (Revised September 3, 2018), and the "Q&A on Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies" (August 2000 (Last revised March 2019)).

1 Depreciation method

(1) Tangible assets (except for lease assets)

Straight-line method

The useful lives of major assets are as follows:

Buildings:	2–50 years
Structures:	2–46 years
Machinery and equipment:	2–17 years
Vehicles:	2– 6 years
Tools, furniture, and fixtures:	2–15 years

(2) Intangible assets (except for lease assets)

Straight-line method

Software used by JICA is depreciated over its useful life (5 years).

(3) Lease assets

Lease assets are depreciated by the straight-line method over the lease term. Depreciation for lease assets is calculated with zero residual value being assigned to the asset.

2 Provision for bonuses

The provision for bonuses is calculated and provided for based on estimated amounts of future payments attributable to the services that have been rendered by officers and employees applicable to the current business year.

3 Provision for retirement benefits

The provision for retirement benefits is calculated and provided for based on estimated amounts of future payments attributable to the retirement of employees, and is accrued in line with the retirement benefit obligations and estimated plan assets applicable to the business year ended March 31, 2020. In calculating the retirement benefit obligations, the estimated amount of retirement benefit payments is attributed to the period based on the straight-line basis. The profit and loss appropriation method for actuarial differences and past service costs is as follows:

Actuarial differences are recognized as a lump-sum gain or loss in the business year in which they occur.

Past service costs are recognized as a lump-sum gain or loss in the business year in which they occur.

4 Basis and standard for the accrual of allowance and loss contingencies

(1) Allowance for loan losses

The allowance for claims on debtors who are legally bankrupt ("Bankrupt borrowers") or substantially bankrupt ("Substantially bankrupt borrowers") is provided based on the outstanding balance of loan claims after the deductions of the amount expected to be collected through the disposal of collateral and execution of guarantees, or the same amount is written off directly. The allowance for claims on debtors who are not legally bankrupt, but are likely to become bankrupt ("Potentially bankrupt borrowers") is provided based on an overall assessment of the solvency of the debtors after the deductions of the amount expected to be collected through the disposal of collateral and the execution of guarantees, or the same amount is written off directly. There were no write-offs from the above-mentioned outstanding balance of loan claims for the business year ended March 31, 2020.

The allowance for claims on debtors other than Bankrupt borrowers, Substantially bankrupt borrowers, and Potentially bankrupt borrowers is provided primarily based on the default rate, which is calculated based on the actual defaults during a certain period in the past. The allowance for possible losses on specific overseas loans is provided based on the expected loss amount taking into consideration the political and economic situation of these countries.

All claims are assessed initially by the operational departments (including regional departments) based on internal rules for self-assessment of asset quality. Internal audit department, which is independent from the operational departments, reviews these self-assessments, and an allowance is provided based on the results of the assessments.

(2) Provision for contingent losses

Provision for contingent losses is provided to prepare for the occurrence of contingent losses for a portion of the undisbursed balance of loan commitments, which JICA is absolutely obligated to extend. The amount of the provision is estimated based on the possibility of losses in the future.

(Changes in Accounting Estimates)

Formerly, allowance for loan losses and provision for contingent losses for Normal assets, Watch assets, and Special attention assets of sovereign debtors were estimated based on the former internal credit rating system. Starting this business year, allowance for loan losses and provision for contingent losses are estimated based on the current internal credit rating system which is more precise than the former rating system. In addition, expected loss periods have been changed from predetermined periods for Normal assets, Watch assets, and Special attention assets to average periods for each claim.

Due to these updates, the amount of allowance for loan losses decreased by ¥34,246 million and allowance for contingent losses decreased by ¥6,129 million, and ordinary income and net income increased by ¥40,376 million, respectively, as of and for the year ended March 31, 2020.

5 Standard and method for the valuation of securities

(1) Shares of affiliated companies

Shares of affiliated companies are stated at cost, determined using the moving-average method.

However, when the amount corresponding to the equity holding has fallen below the cost at acquisition, the amount corresponding to the equity holding is used.

(2) Other investment securities

[1] Securities whose fair value can be readily determined

Such investment securities are stated at fair value.

[2] Securities whose fair value cannot be readily determined

Such investment securities are carried at cost based on the moving average method.

Investments in limited partnerships and other similar partnerships, which are regarded as securities under Article 2, Clause 2 of the Japanese Financial Instruments and Exchange Law, Act No. 25 of 1948, are recognized at an amount equivalent to JICA's percentage share of the net assets of such partnerships, based upon the most recent financial statements available depending on the report date stipulated in the partnership agreement.

(3) Securities held as trust assets in money-held-in trust account

The securities are valued in the same way as (2) above.

6 Standard and method for the valuation of derivative transactions

All derivative financial instruments are carried at fair value.

7 Method for amortization of discount on bonds payable

Discount on bonds payable is amortized over the duration of the bonds.

8 Translation standard for foreign currency-denominated assets and liabilities into yen

Foreign currency money claims and liabilities are translated into Japanese yen mainly at the spot exchange rate at the balance sheet date. Exchange differences are recognized as profit or loss.

9 Method of hedge accounting

(1) Method of hedge accounting

Interest rate swaps are accounted for using the deferral hedge accounting method or the exceptional accrual method. Currency swaps are accounted for by the assignment method.

(2) Hedging instruments and hedged items

[1] Hedging instruments...Interest rate swaps
Hedged items...Loans and foreign currency bonds

[2] Hedging instruments...Currency swaps
Hedged items...Foreign currency loans and foreign currency bonds

(3) Hedging policy

JICA enters into interest rate swaps or currency swaps for the purpose of hedging interest rate or currency fluctuation risks.

(4) Method of evaluation of hedge effectiveness

Hedges that offset market fluctuations of loans are assessed based on discrepancies with regard to maturity and notional principal and others between hedged loans and hedging instruments.

As for interest rate swaps that satisfy the requirements of the exceptional accrual method and currency swaps that satisfy the requirements of the assignment method, JICA is not required to periodically evaluate hedge effectiveness.

10 Accounting treatment for consumption taxes

Consumption taxes and local consumption taxes are included in transaction amounts.

Notes to the financial statements

(Balance Sheet)

1 Joint obligations

JICA is jointly liable for obligations arising from the following bonds issued by the former Japan Bank for International Cooperation which was succeeded by the Japan Bank for International Cooperation:

Fiscal Investment and Loan Program (FILP) Agency Bonds
¥40,000,000,000

2 Financial assets received as collateral

The fair value of financial assets received as collateral at JICA's disposal was ¥8,567,223,535.

3 Undisbursed balance of loan commitments

Most of JICA's loans are long term. Ordinarily, when receiving a request for disbursement of a loan from a borrower, corresponding to the intended use of funds as stipulated by the loan agreement, and upon confirming the fulfillment of conditions prescribed under the loan agreement, JICA promises to loan a certain amount of funds within a certain range of the amount required by the borrower, with an outstanding balance within the limit of loan commitments. The undisbursed balance of loan commitments as of March 31, 2020 was ¥7,164,167,683,508.

(Statement of Administrative Service Operation Cost)

1 Cost being borne by the public for the operation of Incorporated Administrative Agency

Administrative service operation cost	¥86,845,243,020
Self-revenues, etc.	¥(182,489,825,011)
Opportunity cost	¥410,568,064
Cost being borne by the public for the operation of Incorporated Administrative Agency	¥(95,234,013,927)

2 Method for computing opportunity cost

(1) Interest rate used to compute opportunity cost concerning government investment

0.005% with reference to the yield of 10-year fixed-rate Japanese government bonds at March 31, 2020.

(2) Method for computing opportunity cost for public officers temporarily transferred to JICA

Of the estimated increase in retirement allowance during service rendered in JICA, costs are calculated in accordance with JICA's internal rules.

(Statement of Income)

Recoveries of written-off claims include the amount recovered in excess of book value of the loans transferred to JICA on October 1, 2008, that are associated with the Overseas Economic Cooperation Account of the former Japan Bank for International Cooperation.

(Statement of Cash Flows)

The funds shown in the statement of cash flows are deposit accounts and checking accounts.

1 Breakdown of balance sheet items and ending balance of funds

(as of March 31, 2020)

Cash and deposits	¥180,955,826,489
Time deposits	¥(5,397,850,000)
Ending balance of funds	¥175,557,976,489

2 Description of significant non-cash transactions

Assets acquired under finance leases

Tools, furniture, and fixtures	¥7,800,004

(Financial instruments)

1 Status of financial instruments

(1) Policy regarding financial instruments

The Finance and Investment Account undertakes financial cooperation operations by providing debt and equity financing. In undertaking these operations, it raises funds by borrowing from the Japanese Government under the FILP, borrowing from financial institutions, issuing bonds, and receiving capital investment from the Japanese Government. From the perspective of asset-liability management (ALM), derivative transactions are entered into for mitigating the adverse impact caused by interest rate and foreign exchange fluctuations.

(2) Details of financial instruments and related risks

The financial assets held in the Finance and Investment Account are loans mainly to the Developing Area, and are exposed to credit risk attributed to defaults by its borrowers and interest rate risk. Securities, investment securities, shares of affiliated companies and money held in trust are held for policy-oriented purposes, and are exposed to credit risk of issuers and others, interest rate risk, and market price volatility risk.

Borrowings and bonds are exposed to liquidity risk as their payments or repayments cannot be duly serviced in such a situation where the account is unable to have access to markets for certain reasons.

In addition to the above, foreign currency claims and liabilities are exposed to foreign exchange fluctuation risk.

(3) Risk management system for financial instruments

[1] Credit risk management

The Finance and Investment Account has established and operates a system for credit management. This system encompasses credit appraisal, credit limit setting, credit information monitoring, internal rating, guarantee and collateral setting, problem loan management, etc., in accordance with integrated risk management rules and various credit risk-monitoring rules. This credit management is carried out by the operational departments (including region department), in addition to the Credit Risk Analysis and Environmental Review Department and General Affairs Department. Additionally, the Risk Management Committee of the Finance and Investment Account and Board Meeting convene on a regular basis for the purpose of deliberating or reporting. Moreover, the Office of Audit monitors the status of credit management.

The credit risks of issuers of investment securities and shares of affiliated companies and trustees of money held in trust are monitored by the Private Sector Partnership and Finance Department, which regularly confirms their credit information, etc.

Counterparty risk in derivative transactions is monitored by regularly confirming the exposure and credit standing of counterparties and by securing collateral as necessary.

[2] Market risk management

(i) Interest rate risk management

Interest rates are determined in accordance with the methods prescribed by laws or statements of operational procedures. Interest rate swap transactions are conducted to hedge against the risk of interest rate fluctuations in light of their possible adverse impact.

(ii) Foreign exchange risk management

Foreign currency claims and liabilities are exposed to foreign exchange fluctuation risk; as such, foreign currency claims are funded by foreign currency liabilities, and currency swaps and other approaches are employed to avert or reduce foreign exchange risk.

(iii) Price volatility risk management

Stocks and other securities that are held for policy-oriented purposes are monitored for changes in value affected by the market environment or financial condition of the companies, exchange rates, and other factors.

This information is reported on a regular basis to the Risk Management Committee of the Finance and Investment Account and Board Meeting.

[3] Liquidity risk management related to fund raising

The Finance and Investment Account prepares a funding plan and executes fund raising based on the government-affiliated agencies' budgets, as resolved by the National Diet of Japan.

[4] Derivative transaction management

Pursuant to rules concerning swaps, derivative transactions are implemented and managed by separating the sections related to execution of transactions, assessment of hedge effectiveness, and logistics management based on a mechanism with an established internal system of checks and balances.

2 Fair value of financial instruments

Balance sheet amount, fair value, and difference at the balance sheet date are as follows:

(Unit: Yen)

	Balance sheet amount	Fair value	Difference
(1) Loans	12,614,846,099,374		
Allowance for loan losses	(142,052,753,983)		
	12,472,793,345,391	13,206,709,334,101	733,915,988,710
(2) Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239		
Allowance for loan losses	(87,062,884,239)		
	–	–	–
(3) Borrowings from government fund for FILP (including borrowings due within one year)	(2,069,182,358,000)	(2,126,303,780,151)	(57,121,422,151)
(4) Bonds	(791,079,300,000)	(842,885,764,083)	(51,776,464,083)
(5) Derivative transactions			
Derivative transactions not qualifying for hedge accounting	(492,654,198)	(492,654,198)	–
Derivative transactions qualifying for hedge accounting	(11,140,334,342)	(11,140,334,342)	–
	(11,632,988,540)	(11,632,988,540)	–

* Liabilities are shown in parentheses ( ).

(Note 1) Method for calculating fair values of financial instruments

[1] Loans

The fair values of loans with floating interest rates are calculated at their book values, as policy interest rates (bank rates) are immediately reflected in their floating interest rates, and therefore, fair value approximates book value. On the other hand, fair values of loans with fixed interest rates are calculated by discounting the total amount of the principal and interest using a rate that combines a risk-free rate with the respective borrowers' credit risk. As for hedged loans for which the assignment method is applied, the fair value of such currency swaps is applied.

[2] Claims probable in bankruptcy, claims probable in rehabilitation, and other

Regarding claims probable in bankruptcy, claims probable in rehabilitation, and other, the estimated uncollectible amount is calculated based on the expected recoverable amount through collateral and guarantees. Therefore, fair value approximates the balance sheet amount, less the current estimated uncollectible amount, and hence is calculated accordingly.

[3] Borrowings from government fund for FILP (including borrowings due within one year)

The fair value of borrowings from government fund for FILP (including borrowings due within one year) is calculated by discounting the total amount of principal and interest using interest rates expected to be applied to new borrowings for the same total amount.

[4] Bonds

The fair value of bonds is determined using market observable prices if available. For bonds without market observable prices, the fair values are calculated by discounting contractual cash flows at the risk free rate. As for hedged bonds for which the exceptional accrual method and assignment method are applied, the fair value of such interest rate swaps and currency swaps is applied.

[5] Derivative transactions

Derivative transactions are interest rate-related transactions (interest rate swaps), and fair values are based on discounted present values. Interest rate swaps for which the exceptional accrual method is applied and currency swaps for which the assignment method is applied are accounted for together with the corresponding loan or bond. The fair value of these hedging instruments is included in the fair value of the underlying loans or bonds.

(Note 2) The following are financial instruments whose fair values are deemed to be extremely difficult to determine. They are not included in the fair value information of financial instruments.

(Unit: Yen)

	Balance sheet amount
Investment securities *1	3,875,388,472
Shares of affiliated companies *1	46,732,120,903
Money held in trust *2	52,912,364,816
Undisbursed balance of loan commitments *3	0

*1 These financial instruments have no market prices, and the calculation of their fair values is deemed to be impractical.
*2 The money held in trust is composed of the assets in the trust for which it is difficult to determine the fair value.
*3 The fair values of the undisbursed balances of loan commitments are deemed to be extremely difficult to determine. The main reason is the difficulty of reasonably estimating future extensions of loans, because of the extremely diverse range of implementation formats for projects in the Developing Area where these loans are provided.

(Money held in trust)

1 Money held in trust for the purpose of investment

Not applicable.

2 Money held in trust for the purpose of investment and held-to-maturity

Not applicable.

3 Other (other than for the purpose of investment and held-to-maturity)

(Unit: Yen)

	Balance sheet amount	Acquisition cost	Difference	The amount by which the balance sheet amount exceeds the acquisition cost	The amount by which the balance sheet amount does not exceed the acquisition cost
Money held in trust for others	52,912,364,816	47,185,820,938	5,726,543,878	5,726,543,878	0

(Note) "The amount by which the balance sheet amount exceeds the acquisition cost" and "The amount by which the balance sheet amount does not exceed the acquisition cost" are the breakdown of "Difference".

(Retirement benefits)

1 Overview of retirement benefit plans

To provide retirement benefits for employees, JICA has a defined benefit pension plan comprised of a defined benefit corporate pension plan and a lump-sum severance indemnity plan, and a defined contribution plan comprised of a defined contribution pension plan.

2 Defined benefit pension plan

(1) The changes in the retirement benefit obligation are as follows:

(Unit: Yen)

Retirement benefit obligation at the beginning of the business year	6,531,930,426
Current service cost	269,860,588
Interest cost	33,713,620
Actuarial differences	15,731,896
Retirement benefit paid	(372,314,993)
Past service cost	0
Contribution by employees	16,505,734
Retirement benefit obligation at the end of the business year	6,495,427,271

(2) The changes in the plan assets are as follows:

(Unit: Yen)

Plan assets at the beginning of the business year	2,338,502,047
Expected return on plan assets	46,770,041
Actuarial differences	(147,480,271)
Contribution by the company	110,490,092
Retirement benefit paid	(95,012,040)
Contribution by employees	16,505,734
Plan assets at the end of the business year	2,269,775,603

(3) Reconciliation of the retirement benefit obligations and plan assets and provision for retirement benefits and prepaid pension expenses in the balance sheets

(Unit: Yen)

Funded retirement benefit obligation	2,840,012,138
Plan assets	(2,269,775,603)
Unfunded benefit obligations of funded pension plan	570,236,535
Unfunded benefit obligations of unfunded pension plan	3,655,415,133
Subtotal	4,225,651,668
Unrecognized actuarial differences	0
Unrecognized past service cost	0
Net amount of assets and liabilities in the balance sheets	4,225,651,668
Provision for retirement benefits	4,225,651,668
Prepaid pension expenses	0
Net amount of assets and liabilities in the balance sheets	4,225,651,668

(4) Components of retirement benefit expenses

(Unit: Yen)

Current service cost	269,860,588
Interest cost	33,713,620
Expected return on plans assets	(46,770,041)
Realized actuarial differences	163,212,167
Amortization of past service cost	0
Extraordinary additional retirement payments	0
Total	420,016,334

(5) Major components of plan assets

Percentages of components to the total are as follows:

Bonds	38%
Stocks	32%
General account of life insurance company	20%
Others	10%
Total	100%

(6) Method of determining the long-term expected rate of return on plan assets

The long-term expected rate of return on plan assets is determined based on components of plan assets, its performance and market condition, etc.

(7) Assumptions used

Principal assumptions used in actuarial calculations at the end of the business year

Discount rate	Defined benefit corporate pension plan	0.23%
	Retirement benefits	0.74%
Long-term expected rate of return on plan assets		2.00%

3 Defined contribution plan

The amount of contribution required to be made to the defined contribution plan is ¥12,538,522.

(Lease transactions)

Future minimum lease payments related to operating lease transactions

Future minimum lease payments due within one year of the balance sheet date ¥377,505

Future minimum lease payments corresponding to periods more than one year from the balance sheet date ¥129,367

(Asset retirement obligations)

JICA has a building lease agreement for its head office building, and has an obligation to restore the building to its original state at the termination of the lease period. Therefore, the asset retirement obligations have been recorded. The estimate for the asset retirement obligations assumes a five-year lease period for the projected period of use and a discount rate of 0.529%.

The balance of the asset retirement obligations at the end of the current business year was ¥70,374,150.

(Profit and loss under the equity method)

JICA does not have any specific affiliated companies and, as such, does not prepare consolidated financial statements. However, profit or loss under the equity method related to affiliated companies is as follows:

Investment amount in affiliated companies ¥46,732,120,903

Investment amount when applying the equity method ¥74,623,313,236

Valuation gain on investments when applying the equity method ¥19,613,376,621

(Additional information)

Allowance for loan losses of ¥229,116 million and provision for contingent losses of ¥2,043 million were estimated based on the circumstances of each debtor and based on the assumption that the spread of COVID-19 will slow and prevention measures will be gradually lifted, resulting in an economic recovery toward the end of 2020. These assumptions are consistent with the baseline scenario of the World Economic Outlook (WEO) announced by the International Monetary Fund (IMF) in April 2020. Since the situation related to COVID-19 is expected to remain highly uncertain worldwide, JICA may need to increase the allowance for loan losses and provision for contingent losses in subsequent business years if, for example, the debtors' credit rating deteriorates beyond current expectations over the medium to long term.

(Significant contractual liabilities)

Contract liabilities JICA is obliged to pay during the next business year and thereafter are ¥9,889,143,608.

(Significant subsequent events)

N/A

Details of loans

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period		Balance at the end of the period	Remarks
			Collection, etc.	Write-off		
Loans	12,300,293,753,275	1,097,084,894,053	782,532,547,954	0	12,614,846,099,374	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239	0	0	0	87,062,884,239	
Total	12,387,356,637,514	1,097,084,894,053	782,532,547,954	0	12,701,908,983,613	

Details of borrowings

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Average interest rate (%)	Maturity date	Remarks
Borrowings from government fund for FILP	2,037,433,996,000	231,900,000,000	200,151,638,000	2,069,182,358,000 (106,613,302,000)	0.566	June 2020– January 2060	

* Figures in parentheses ( ) indicate the amount of borrowings repayable within one year.

Details of bonds

(Unit: Millions of Yen, Thousands of US$)

Security name	Balance at the beginning of the period	Increase during the period	Decrease during the period	Translation Adjustments	Balance at the end of the period	Coupon (%)	Maturity date	Remarks
FILP Agency Bonds	580,000	60,000	10,000	—	630,000 (0)	0.055–2.470	December 2021–December 2049	
Japan International Cooperation Agency Government-guaranteed bonds	220,604 [2,000,000]	0 [0]	57,305 [500,000]	(2,219)	161,079 [1,500,000] (0)	2.125–3.375	October 2026–June 2028	

* Figures in parentheses ( ) indicate the amount of bonds redeemable within one year. The amount in [ ] is denominated in a foreign currency.

The financial statements have been audited by an accounting auditor as prescribed in Article 39 of the Act on General Rules for Incorporated Administrative Agencies.

Financial Conditions

1 Two-Year Financial Statements

1-1 General Account

Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
I. Current assets		
Cash and deposits	214,926	232,485
Inventories		
Stored goods	361	363
Payments for uncompleted contracted programs	19	126
Advance payments	22,963	20,715
Prepaid expenses	106	39
Accrued income	0	0
Accounts receivable	3,346	3,902
Contra-accounts for provision for bonuses	—	1,197
Short-term loans for development projects	53	18
Allowance for loan losses	(0)	(0)
Short-term loans for emigration projects	0	0
Allowance for loan losses	(0)	(0)
Goods in transit	237	59
Suspense payments	67	72
Advance paid	2	2
Total current assets	242,081	258,978
II. Non-current assets		
1. Tangible assets		
Buildings	41,948	42,202
Accumulated depreciation	(19,298)	(20,193)
Accumulated impairment loss	(451)	(451)
Structures	1,622	1,630
Accumulated depreciation	(1,131)	(1,173)
Accumulated impairment loss	(11)	(11)
Machinery and equipment	205	250
Accumulated depreciation	(126)	(133)
Vehicles	2,291	2,415
Accumulated depreciation	(1,233)	(1,306)
Tools, furniture, and fixtures	2,295	2,234
Accumulated depreciation	(1,304)	(1,338)
Land	14,398	14,398
Accumulated impairment loss	(75)	(75)
Construction in progress	10	199
Total tangible assets	39,141	38,651
2. Intangible assets		
Trademark rights	1	1
Telephone subscription rights	2	2
Software	172	3,821
Software in progress	3,148	248
Total intangible assets	3,323	4,072
3. Investments and other assets		
Long-term deposits	—	216
Long-term loans for development projects	89	72
Allowance for loan losses	(0)	—
Long-term loans for emigration projects	17	12
Allowance for loan losses	(16)	(12)
Claims probable in bankruptcy, claims probable in rehabilitation, and other pertaining to loans for development projects	81	—
Allowance for loan losses	(81)	—
Claims probable in bankruptcy, claims probable in rehabilitation, and other pertaining to loans for emigration projects	326	305
Allowance for loan losses	(326)	(305)
Long-term prepaid expenses	18	6
Expected amount to be granted from the national budget	29	1
Contra-accounts for provision for retirement benefits	—	14,982
Long-term guarantee deposits	1,529	1,619
Total investments and other assets	1,666	16,896
Total non-current assets	44,130	59,619
Total assets	286,211	318,597

	As of March 31, 2019	As of March 31, 2020
Liabilities		
I. Current liabilities		
Operational grant liabilities	31,300	40,669
Funds for grant aid	174,791	178,788
Donations received	398	334
Accounts payable	15,916	20,009
Accrued expenses	228	248
Lease obligations	111	90
Advance payments received	365	395
Deposits received	495	503
Unearned revenue	0	0
Provision for bonuses	—	1,197
Suspense receipts	—	0
Total current liabilities	223,604	242,234
II. Non-current liabilities		
Contra-accounts for assets	6,999	7,873
Long-term lease obligations	232	165
Long-term deposits received	119	48
Provision for retirement benefits	—	14,982
Asset retirement obligations	276	276
Total non-current liabilities	7,626	23,344
Total liabilities	231,230	265,578
Net assets		
I. Capital		
Government investment	62,452	62,452
Total capital	62,452	62,452
II. Capital surplus		
Capital surplus	(1,233)	6,150
Accumulated depreciation not included in expenses	(20,179)	(21,030)
Accumulated impairment loss not included in expenses	(537)	(537)
Accumulated interest expenses not included in expenses	(7)	(7)
Accumulated disposal and sale differential not included in expenses	—	(7,017)
Total capital surplus	(21,957)	(22,442)
III. Retained earnings		
Reserve fund carried over from the previous Mid-term Objective period	7,013	2,416
Reserve fund	4,304	7,472
Unappropriated income for the current business year	3,168	3,121
[Total income for the current business year]	[3,168]	[3,121]
Total retained earnings	14,485	13,008
Total net assets	54,981	53,019
Total liabilities and net assets	286,211	318,597

Statement of Income

(Unit: Millions of yen)

	April 1, 2018– March 31, 2019	April 1, 2019– March 31, 2020
Ordinary expenses		
Operating expenses		
Expenses for priority sectors and regions	78,686	71,030
Expenses for private sector partnership	5,016	4,479
Expenses for domestic partnership	18,506	17,184
Expenses for other operations	3,384	3,217
Expenses for operation support	37,417	38,806
Expenses for grant aid	94,985	89,236
Expenses for facilities	29	52
Expenses for contracted programs	69	9
Expenses for donation projects	12	110
Depreciation	600	1,204
General administrative expenses	8,593	8,989
Financial expenses		
Foreign exchange losses	243	108
Specific purpose expenses	—	250
Miscellaneous losses	1	0
Total ordinary expenses	247,543	234,674
Ordinary revenues		
Revenues from operational grants	139,031	137,013
Revenues from grant aid	94,985	89,236
Revenues from contracted programs		
Revenues from contracted programs from Japanese government and local governments	69	7
Revenues from contracted programs from other parties	2	7
Revenues from interest on development projects	0	0
Revenues from settlement projects	0	—
Revenues from emigration projects	1	0
Revenues from subsidy for facilities	—	51
Revenues from expected amount to be granted from the national budget	29	1
Donations	12	110
Reversal of allowance for loan losses	34	15
Revenues from contra-accounts for provision for bonuses	—	1,197
Revenues from contra-accounts for provision for retirement benefits	—	1,097
Reversal of contra-accounts for assets	530	1,203
Financial revenues		
Interest income	6	6
Miscellaneous income	3,751	3,407
Total ordinary revenues	238,451	233,350
Ordinary income	(9,093)	(1,324)
Extraordinary losses		
Loss on disposal of non-current assets	31	37
Loss on sales of non-current assets	3	3
Provision for bonuses due to revision of accounting standards	—	1,149
Provision for retirement benefits due to revision of accounting standards	—	14,868
Extraordinary income		
Reversal of contra-accounts for assets	60	—
Gain on sales of non-current assets	8	26
Gain on contra-accounts for provision for bonuses	—	1,149
Gain on contra-accounts for provision for retirement benefit	—	14,868
Net loss	(9,059)	(1,338)
Reversal of reserve fund carried over from the previous Mid-term Objective period	12,227	4,459
Total income for the current business year	3,168	3,121

Statement of Cash Flows

(Unit: Millions of yen)

	April 1, 2018– March 31, 2019	April 1, 2019– March 31, 2020
I. Cash flows from operating activities		
Payments of operating expenses	(130,351)	(120,977)
Payments for grant aid	(95,355)	(88,121)
Payments for contracted programs	(89)	(91)
Payments of personnel expenses	(17,221)	(17,346)
Payments of specific purpose expenses	—	(236)
Payments for other operations	(202)	(874)
Proceeds from operational grants	152,364	150,476
Proceeds from grant aid	105,714	93,258
Proceeds from contracted programs	437	44
Proceeds from interest on loans	2	0
Proceeds from settlement projects	0	—
Interest revenues	0	—
Installments receivable	0	—
Proceeds from donations	21	46
Proceeds from other operations	4,235	4,381
Subtotal	19,557	20,561
Interest income received	6	6
Payments to national treasury	(97)	(29)
Net cash provided by operating activities	19,466	20,538
II. Cash flows from investing activities		
Payments for purchase of non-current assets	(2,748)	(2,704)
Proceeds from sales of non-current assets	15	39
Proceeds from subsidy for facilities	159	—
Proceeds from collection of loans	97	57
Payments into time deposits	(60,300)	(60,000)
Proceeds from time deposit refund	60,300	60,300
Payments into long-term deposits	—	(216)
Net cash used in investing activities	(2,477)	(2,524)
III. Cash flows from financing activities		
Repayments of lease obligations	(145)	(115)
Net cash used in financing activities	(145)	(115)
IV. Effect of exchange rate changes on funds	(128)	(40)
V. Net increase (decrease) in funds	16,716	17,859
VI. Funds at the beginning of the business year	191,910	208,626
VII. Funds at the end of the business year	208,626	226,485

1-2 Finance and Investment Account

Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
I. Current assets		
Cash and deposits	323,390	180,956
Loans	12,300,294	12,614,846
Allowance for loan losses	(165,844)	(142,053)
Advance payments	19,217	16,209
Prepaid expenses	29	11
Accrued income		
Accrued interest on loans	27,224	25,929
Accrued commitment charges	490	406
Accrued interest	288	45
Accounts receivable	973	1,196
Goods in transit	61	16
Suspense payments	5	47
Advances paid	0	0
Short-term guarantee deposits	14,163	8,630
Total current assets	12,520,290	12,706,238
II. Non-current assets		
1. Tangible assets		
Buildings	3,827	4,030
Accumulated depreciation	(1,126)	(1,229)
Accumulated impairment loss	(665)	(665)
Structures	96	98
Accumulated depreciation	(25)	(30)
Accumulated impairment loss	(12)	(12)
Machinery and equipment	198	199
Accumulated depreciation	(72)	(75)
Accumulated impairment loss	(102)	(102)
Vehicles	497	552
Accumulated depreciation	(234)	(266)
Tools, furniture, and fixtures	791	779
Accumulated depreciation	(386)	(522)
Land	12,703	12,703
Accumulated impairment loss	(6,091)	(6,091)
Construction in progress	31	0
Total tangible assets	9,431	9,370
2. Intangible assets		
Trademark rights	0	0
Software	4,907	5,300
Software in progress	850	355
Total intangible assets	5,758	5,655
3. Investments and other assets		
Investment securities	6,033	3,875
Shares of affiliated companies	44,100	46,732
Money held in trust	40,809	52,912
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,063	87,063
Allowance for loan losses	(83,193)	(87,063)
Long-term prepaid expenses	5	1
Long-term guarantee deposits	633	679
Total investments and other assets	95,450	104,200
Total non-current assets	110,639	119,225
Total assets	12,630,929	12,825,464

	As of March 31, 2019	As of March 31, 2020
Liabilities		
I. Current liabilities		
Current portion of bonds	67,305	—
Current portion of borrowings from government fund for Fiscal Investment and Loan Program	138,032	106,613
Accounts payable	8,078	8,425
Accrued expenses	6,847	5,779
Derivatives	13,984	11,633
Lease obligations	153	147
Deposits received	2,106	11,615
Unearned revenue	17	3
Provisions		
Provision for bonuses	323	337
Provision for contingent losses	9,286	2,043
Suspense receipts	11	359
Total current liabilities	246,141	146,954
II. Non-current liabilities		
Bonds	733,299	791,079
Discounts on bonds payable	(424)	(341)
Borrowings from government fund for Fiscal Investment and Loan Program	1,899,402	1,962,569
Long-term lease obligations	181	40
Long-term deposits received	4,737	5,587
Provision for retirement benefits	4,193	4,226
Asset retirement obligations	70	70
Total non-current liabilities	2,641,459	2,763,230
Total liabilities	2,887,600	2,910,185
Net assets		
I. Capital		
Government investment	8,083,418	8,150,728
Total capital	8,083,418	8,150,728
II. Retained earnings		
Reserve fund	1,626,110	1,703,881
Unappropriated income for the current business year	77,771	95,645
[Total income for the current business year]	[77,771]	[95,645]
Total retained earnings	1,703,881	1,799,526
III. Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,391	6,493
Deferred gains or losses on hedges	(47,360)	(41,467)
Total valuation and translation adjustments	(43,969)	(34,974)
Total net assets	9,743,329	9,915,279
Total liabilities and net assets	12,630,929	12,825,464

Statement of Income

(Unit: Millions of yen)

	April 1, 2018–March 31, 2019	April 1, 2019–March 31, 2020
Ordinary expenses		
Expenses related to operations of cooperation through finance and investment		
Interest on bonds and notes	9,331	9,515
Interest on borrowings	16,541	21,707
Interest on interest rate swaps	6,720	6,222
Other Interest expenses	2	1
Operations outsourcing expenses	33,865	29,138
Bond issuance cost	567	361
Foreign exchange losses	1,200	—
Personnel expenses	4,156	4,170
Provision for bonuses	323	337
Retirement benefit expenses	390	443
Operating and administrative expenses	13,621	12,296
Depreciation	1,341	1,726
Taxes	92	95
Provision for allowance for loan losses	1,779	—
Other operating expenses	17	837
Other ordinary expenses	0	—
Total ordinary expenses	89,945	86,837
Ordinary revenues		
Revenues from operations of cooperation through finance and investment		
Interest on loans	138,201	131,739
Interest on bonds	0	0
Dividends on investments	20,872	15,852
Commissions	2,339	2,590
Foreign exchange gains	—	1,311
Gain on valuation of investment securities	123	11
Gain on sales of investment securities	200	2,005
Gain on valuation of shares of affiliated companies	555	16
Gain on investment in money held in trust	2,343	199
Reversal of provision for allowance for loan losses	—	19,922
Reversal of provision for allowance for contingent losses	1,313	7,243
Other ordinary revenues	—	17
Financial revenues		
Interest income	782	687
Miscellaneous income	973	875
Recoveries of written-off claims	20	20
Total ordinary revenues	167,721	182,486
Ordinary income	77,776	95,650
Extraordinary losses		
Loss on disposal of non-current assets	6	8
Loss on sales of non-current assets	0	0
Total extraordinary losses	6	9
Extraordinary income		
Gain on sales of non-current assets	2	3
Total extraordinary income	2	3
Net income	77,771	95,645
Total income for the current business year	77,771	95,645

Statement of Cash Flows

(Unit: Millions of yen)

	April 1, 2018–March 31, 2019	April 1, 2019–March 31, 2020
I. Cash flows from operating activities		
Payments for loans	(1,079,145)	(1,090,516)
Repayments of borrowings from the private sector	—	(33,361)
Repayments of borrowings from government fund for Fiscal Investment and Loan Program	(206,179)	(200,152)
Redemption of bonds	(20,000)	(67,305)
Interest expenses paid	(29,015)	(35,406)
Payments for personnel expenses	(4,854)	(4,889)
Payments for other operations	(68,334)	(58,612)
Proceeds from collection of loans	789,222	779,398
Proceeds from borrowings from the private sector	—	33,344
Proceeds from borrowings from government fund for Fiscal Investment and Loan Program	332,100	231,900
Proceeds from issuance of bonds	113,966	59,639
Proceeds from interest on loans	135,396	128,416
Proceeds from commissions	2,950	2,346
Proceeds from other operations	34,747	37,630
Subtotal	852	(217,567)
Interest and dividend income received	21,365	16,768
Net cash provided by (used in) operating activities	22,218	(200,800)
II. Cash flows from investing activities		
Payments for purchase of non-current assets	(2,333)	(1,570)
Proceeds from sales of non-current assets	16	10
Payments for purchase of investment securities	(403)	(2,038)
Proceeds from sales and redemption of investment securities	1,478	4,214
Payments for purchase of shares of affiliated companies	—	(2,674)
Payments for increase of money held in trust	(5,539)	(8,105)
Proceeds from decrease of money held in trust	—	1,328
Payments into time deposits	(61,199)	(82,220)
Proceeds from time deposit refund	49,454	95,639
Payments for purchase of negotiable deposits	(42,300)	(20,000)
Proceeds from refund of negotiable deposits	47,300	20,000
Net cash provided by (used in) investing activities	(13,525)	4,584
III. Cash flows from financing activities		
Repayments of lease obligations	(162)	(154)
Receipts of government investment	46,010	67,310
Net cash provided by financing activities	45,848	67,156
IV. Effect of exchange rate fluctuation on funds	1,122	0
V. Net increase (decrease) in funds	55,663	(129,060)
VI. Funds at the beginning of the business year	248,954	304,618
VII. Funds at the end of the business year	304,618	175,558

2 Disclosure of Financial Conditions of Finance and Investment Account

Average Balance of Interest-Earning Assets and Interest-Bearing Liabilities, Interest and Earning Yields

(Units: Millions of yen, %)

	FY2018			FY2019		
	Average Balance	Interest*	Yield	Average Balance	Interest*	Yield
Interest-earning assets	12,496,246	165,414	1.32	12,771,692	153,098	1.20
Loans	12,110,616	140,540	1.16	12,439,284	134,329	1.08
Investments	88,628	24,092	27.18	95,242	18,083	18.99
Deposits + Securities	297,002	781	0.26	237,166	686	0.29
Interest-bearing liabilities	2,608,962	25,871	0.99	2,755,518	31,222	1.13
Borrowings	1,831,177	16,541	0.90	1,953,828	21,707	1.11
Bonds	777,785	9,331	1.20	801,690	9,515	1.19

* Investments include investment securities, shares of affiliated companies and money held in trust. Dividends received, gain and loss associated with the valuation of investment securities (valuation/sale/liquidation), and gain and loss associated with the valuation of shares of affiliated companies (valuation/sale/liquidation), and gain and loss associated with the investment in money held in trust are recorded as interest items

Balance of Deposits and Securities–Application of Surplus Funds

(Unit: Millions of yen)

	End of FY2018	End of FY2019
Deposits + Securities	323,390	180,956

Yield/Interest rate

(Unit: %)

	End of FY2018	End of FY2019
Total average interest rate spread	(2.01)	(1.95)
Yields on interest-earning assets	1.32	1.20
Costs of interest-bearing liabilities	3.33	3.15

Note:
Yields on Interest-Earning Assets = Interest / Average Balance of Interest-Earning Assets
Costs of Interest-Bearing Liabilities = (Interest Expenses + Bonds and Notes Expenses + Other Expenses) / Average Balance of Interest-Bearing Liabilities
cf.
Interest-Earning Assets = Interest on Loans + Interest on Bonds
+ Dividends on Investments + Interest Income + Commissions
+ Gain and Loss Associated with the Valuation of Investment Securities (valuation/sale/liquidation)
/ Shares of Affiliated Companies (valuation/sale/liquidation)
+ Gain and Loss Associated with the Investment in Money Held in Trust
Average Balance of Interest-Earning Assets =
Loans + Investments + Bank Deposits (excluding Checking Accounts)
Interest Expenses = Interest on Borrowings + Interest on Bonds and Notes
+ Interest on Interest Rate Swaps + Other Interest Expenses
Bonds and Notes Expenses = Bonds and Notes Issuance Costs
Other Expenses = Operations Outsourcing Expenses
+ Personnel Expenses
(including Provisions for Allowance for Retirement Benefits / Bonuses)
+ Operating and Administrative Expenses + Depreciation + Tax
+ Other Operating Expenses (Derivative Expenses)
Average Balance of Interest-Bearing Liabilities = Borrowings + Bonds and Notes

Breakdown of Allowance for Possible Loan Losses

(Unit: Millions of yen)

	End of FY2018	End of FY2019
Loans	165,844	142,053
Claims probable in bankruptcy, claims probable in rehabilitation, and other	83,193	87,063
Total	249,037	229,116

Note: The allowance for claims on debtors who are legally bankrupt ("Bankrupt borrowers") or substantially bankrupt ("Substantially bankrupt borrowers") is provided based on the outstanding balance of loan claims after the deductions of the amount expected to be collected through the disposal of collateral and execution of guarantees, or the same amount is written off directly. The allowance for claims on debtors who are not legally bankrupt, but are likely to become bankrupt ("Potentially bankrupt borrowers") is provided based on an overall assessment of the solvency of the debtors after the deductions of the amount expected to be collected through the disposal of collateral and the execution of guarantees, or the same amount is written off directly. There were no write-offs from the above-mentioned outstanding balance of loan claims.
The allowance for claims on debtors other than Bankrupt borrowers, Substantially bankrupt borrowers, and Potentially bankrupt borrowers is provided primarily based on the default rate, which is calculated based on the actual defaults during a certain period in the past. The allowance for possible losses on specific overseas loans is provided based on the expected loss amount taking into consideration the political and economic situation of these countries.
All claims are assessed initially by the operational departments (including regional departments) based on internal rules for self-assessment of asset quality. Internal audit department, which is independent from the operational departments, reviews these self-assessments, and an allowance is provided based on the results of the assessments.

Principal Assets in Foreign Currency

(Units: Thousands of US$, Thousands of PHP, Thousands of BDT, Thousands of EUR, Thousands of PKR, Millions of KHR)

	End of FY2018	End of FY2019
Cash and deposits (US$)	448,560	325,292
Cash and deposits (PHP)	20	20
Loans (US$)	210,998	458,049
Loans (PHP)	1,434,000	1,434,000
Shares of affiliated companies (US$)	29,571	47,500
Shares of affiliated companies (BDT)	—	551,063

	End of FY2018	End of FY2019
Investment securities (US$)	23,325	24,747
Investment securities (EUR)	—	147
Investment securities (PKR)	240,000	240,000
Investment securities (KHR)	117,936	—
Money held in trust (US$)	369,571	490,124

Maturity Structure of Loans as of March 31, 2020

(Unit: Billions of yen)

Maturity	Repayment from Loans
1 year or less	707.0
over 1 year, up to 2 years	692.5
over 2 years, up to 3 years	689.2
over 3 years, up to 4 years	673.9
over 4 years, up to 5 years	646.5
over 5 years, up to 10 years	2,832.4
over 10 years, up to 15 years	2,316.1
over 15 years, up to 20 years	1,828.8
over 20 years, up to 25 years	1,148.5
over 25 years, up to 30 years	674.0
over 30 years, up to 35 years	369.8
over 35 years, up to 40 years	72.4
over 40 years	0.2
Total	12,651.2

Note: The figures exclude principal in arrears for over three months as of the end of March 2020 from the total projected collection from "Loans" and "Claims in bankruptcy, rehabilitation, reorganization or other equivalent claims."

Maturity Structure of Borrowings from Government Fund for Fiscal Investment and Loan Program (FILP) as of March 31, 2020

(Unit: Billions of yen)

Maturity	Repayment of Borrowings
1 year or less	106.6
over 1 year, up to 2 years	104.6
over 2 years, up to 3 years	97.4
over 3 years, up to 4 years	142.4
over 4 years, up to 5 years	150.1
over 5 years, up to 10 years	747.5
over 10 years, up to 15 years	274.2
over 15 years, up to 20 years	280.0
over 20 years, up to 25 years	88.8
over 25 years, up to 30 years	44.4
over 30 years, up to 35 years	25.6
over 35 years, up to 40 years	7.4
over 40 years	0.0
Total	2,069.2

Maturity Structure of Bonds as of March 31, 2020

(Unit: Billions of yen)

Fiscal Investment and Loan Program (FILP) Agency Bonds

Maturity	Redemption
1 year or less	0.0
over 1 year, up to 2 years	10.0
over 2 years, up to 3 years	30.0
over 3 years, up to 4 years	30.0
over 4 years, up to 5 years	20.0
over 5 years, up to 10 years	212.0
over 10 years, up to 15 years	140.0
over 15 years, up to 20 years	150.0
over 20 years, up to 25 years	5.0
over 25 years, up to 30 years	33.0
over 30 years	0.0
Total	630.0

Government-Guaranteed Bonds

Maturity	Redemption
1 year or less	0.0
over 1 year, up to 2 years	0.0
over 2 years, up to 3 years	0.0
over 3 years, up to 4 years	0.0
over 4 years, up to 5 years	0.0
over 5 years, up to 10 years	161.1 [$1.5 billion]*
over 10 years	0.0
Total	161.1

* Figure in parentheses denotes the amount of money in foreign currency.

Information on the Quality of Assets of Japan International Cooperation Agency (JICA) Finance and Investment Account

While the Banking Act and Act on Emergency Measures for the Revitalization of the Financial Functions of 1998 (the "Financial Revitalization Act") do not apply to JICA, JICA has been pursuing its efforts to enhance disclosure on its asset quality and improve the internal management of credit risks by making periodical self-assessments of the quality of its assets.

One notable characteristic of JICA's operation is that a considerable portion of its loans is official credit for the governments of developing countries. Thus, when an indebted country is temporarily unable to service debt due to economic difficulties, debt rescheduling will sometimes take place, based on an international agreement among the creditor countries in the Paris Club, in order to ensure sustainable debt service.(Note 1) A debtor country receiving such temporary support for overcoming the liquidity problem will implement economic restructuring programs agreed upon with the IMF to acquire sustainable debt service capacity.

The loans rescheduled under the agreement in the Paris Club have a high probability of repayment, because, unlike loans provided by private financial institutions, their nature as official credit provides an asset-securing mechanism under the above international framework. Nonetheless, to facilitate comparison with private financial institutions, JICA, in principle, discloses the loans rescheduled in the Paris Club and whose debtor countries are categorized as "needs attention" in its self-assessments of asset quality, as loan assets require to be disclosed classifying them either as "Restructured Loans" (under the Banking Act) or "Special Attention Assets" (under the Financial Revitalization Act).

Note 1. An international consensus was reached at the creditor nation conference (Paris Club Meeting) on rescheduling foreign government debt (where the debtor is a country, and debt originates from such government entities as trade insurance or export credit agencies) of debtor nations temporarily unable to make payments due to a deterioration in their balance of payments. As a result, a temporary liquidity support program for debtor nation governments (balance of payments assistance under the framework of international cooperation) will be shortly executed. In conjunction with this temporary liquidity assistance, debtor nations will implement an economic reform program agreed upon with the International Monetary Fund (IMF), making it possible for the country to continue to service its debt obligations.
The total foreign government debt principal applicable to the debt rescheduling agreement at the Paris Club Meeting held in JICA's Finance and Investment Account was ¥653,632 million as of the end of FY2019.

1 Risk Monitored Loans (Note 2)

The following table shows the classification of Risk Monitored Loans based on the self-assessments of asset quality in accordance with the disclosure standard of Risk Monitored Loans applied to private financial institutions (under the Banking Act). Each category of Risk Monitored Loans is defined as follows:

(1) Loans to Debtor in Legal Bankruptcy (Note 3)

Among loans that are placed in non-accrual status (except the portion deduced as allowance for loan losses), when collection of either principal or interest becomes doubtful for the reason that principal or interest is past due for a considerable period of time or for other reasons, those loans which there is filing of reorganization procedures under the Corporate Reorganization Act or bankruptcy procedures under the Bankruptcy Act or special liquidation procedures under the Companies Act or other relevant laws, or there is suspension of transactions in promissory notes issued by the borrowers in the clearing house.

(2) Past Due Loans (Note 3)

Loans that are placed in non-accrual status except those classified as "Loans to Debtor in Legal Bankruptcy" or those whose interest payments are deferred in order to expedite the borrowers' business restructuring or support their business operations

(3) Loans in Arrears by 3 Months or More

Loans whose principal or interest is past due three months or more from the date following the contractually scheduled payment date and not classified as "Loans to Debtor in Legal Bankruptcy" or "Past Due Loans"

(4) Restructured Loans

Loans whose terms and conditions are modified in favor of the borrowers in order to expedite the borrowers' business restructuring or support their business operations by, among others, reducing the stated interest rate, deferring interest payments or write-downs, and that are not classified as "Loans to Debtor in Legal Bankruptcy," "Past Due Loans" and "Loans in Arrears by 3 Months or More"

(Unit: Millions of yen)

	March 2020 Reporting Period
Loans to Debtor in Legal Bankruptcy	—
Past Due Loans	87,063
Loans in Arrears by 3 Months or More	—
Restructured Loans	473,524
Total (1)	560,587
Balance of Loans Receivable (2)	12,701,909
(1)/(2)	4.41%

Note 2. Deferred principal included in loans as shown in the chart above accounts for ¥22,306 million of the Past Due Loans of ¥87,063 million, and for ¥443,612 million of the Restructured Loans of ¥473,524 million. Other deferred principal, accounting for a total of ¥187,714 million, are of loans that are not categorized as Risk Monitored Loans.

Note 3. Under the framework of the Ordinance for Enforcement of Banking Law 19, 2-1-5, which establishes the disclosure standards of risk-management loans held by private financial institutions, debt owed by foreign debtors must be disclosed as bankrupt debtor debt for all debtors fulfilling each of the following conditions: 1) nonpayment of interest or principal within the most recent previous three-year period from the end of the term; 2) no contract signed regarding the extension of the redemption deadline within the most recent previous three-year period from the end of the term; and 3) no specific plans to sign a contract regarding the extension of the redemption at the end of the term. In making disclosures based on the above, JICA, in line with its asset self-assessments and taking into consideration the international framework for cooperation, has classified the aforementioned foreign government debt as debt with bankruptcy concern, while in the disclosure of Risk Monitored Loans, this debt is included as "Past Due Loans."

2 Loan Assets Required to be Disclosed under the Financial Revitalization Act (Note 4)

The table at right shows the classification of loans based on the self-assessments of asset quality in accordance with the disclosure standard of the Financial Revitalization Act.

Each category of Loan Assets to be disclosed under the Financial Revitalization Act is defined as follows.

(1) Bankrupt or De Facto Bankrupt Assets

"Bankrupt or De Facto Bankrupt Assets" are loans and other credits to debtors who have begun proceedings under the Bankruptcy Act, the Corporate Reorganization Act, the Financial Revitalization Act and other similar laws of Japan and have financially failed. In the asset quality self-assessments, these loans are loans to debtors who are legally or substantially bankrupt.

(2) Doubtful Assets

"Doubtful Assets" are loans and other credits to debtors whose financial and operational conditions have deteriorated and who have a possibility that payment of principal and/or interest will not be made on a contractual basis. In the asset quality self-assessments, these loans are loans to the debtors who are likely to become bankrupt.

(3) Special Attention Assets

"Special Attention Assets" are loans to debtors who are categorized as "needs attention borrower" in the asset quality self-assessments, and
(i) loans whose principal and/or interest is overdue for three months or more from the date following the scheduled payment date but which are not categorized as "Bankrupt or De Facto Bankrupt Assets" and "Doubtful Assets" ("Past due loans (three months or more)");
(ii) restructured loans on which JICA granted concessions to borrowers in financial difficulties through amending terms and conditions of the loans to assist them to recover and eventually be able to pay to creditors, but which are not categorized as "Bankrupt or De Facto Bankrupt Assets", "Doubtful Assets" or "Overdue loans (three months or more)."

(4) Normally Performing Assets

"Normally Performing Assets" are loans to borrowers with no particular problem in their financial conditions, categorized in the asset quality self-assessments either as “loans to normal borrowers” or “loans to needs attention borrowers (excluding Special Attention Assets),” but which are not categorized as “Bankrupt or De Facto Bankrupt Assets,” “Doubtful Assets” and “Special Attention Assets.”

Note 4. Deferred principal included in loans as shown in the table below accounts for ¥22,306 million of the Doubtful Assets of ¥87,063 million, for ¥443,612 million of the Special Attention Assets of 473,524 million, and for ¥187,714 million of the Normally Performing Assets of ¥12,168,053 million.

(Unit: Millions of yen)

	March 2020 Reporting Period		
Loans Payable*1 (% of total credit transactions)	Bankrupt or De Facto Bankrupt Assets	—	(—)
	Doubtful Assets	87,063	(0.68)
	Special Attention Assets	473,524	(3.72)
	Sub Total	560,587	(4.40)
	Normally Performing Assets	12,168,053	(95.60)
Loan-loss Reserve*1	Bankrupt or De Facto Bankrupt Assets	—	
	Doubtful Assets	87,063	
	Special Attention Assets	54,608	
	Sub Total	141,671	
	General Loan-loss Reserve for loans not requiring close monitoring	87,441	
	Special Allowance for Foreign Debt	3	
	Total	229,116	
Collateral / Guarantees	Bankrupt or De Facto Bankrupt Assets	—	
	Doubtful Assets	—	
	Special Attention Assets	—	
	Sub Total	—	
Coverage Amount*2 (Coverage Ratio, %)	Bankrupt or De Facto Bankrupt Assets	—	
	Doubtful Assets	87,063	(100.00)
	Special Attention Assets	54,608	(11.53)
	Sub Total	141,671	(25.27)

*1 Based on JICA’s self-assessments of assets, the difference between the debt exposure to bankrupt debtors and debtors in bankruptcy and the amount recognized as recoverable by means of collateral or guarantees is considered as the projected amount that cannot be collected on, and so is subtracted directly from the total debt exposure. As such, this figure is not included in the above chart under “Loans Payable” or “Loan-loss Reserve.”

*2 Coverage amount refers to the combined total of the loan-loss reserve set aside for each debt and the value of collateral and guarantees, while the coverage ratio represents the ratio of the coverage amount as a percentage of total loans payable.

JAPAN INTERNATIONAL COOPERATION AGENCY
Annual Report Data Book 2020

Published in November 2020

Japan International Cooperation Agency (JICA)
Nibancho Center Building, 5-25, Niban-cho, Chiyoda-ku, Tokyo 102-8012, Japan
Tel. +81-3-5226-9781
https://www.jica.go.jp/english/

Edited in cooperation with
Takayama Printing Co., Ltd.
2nd Floor, NT Bldg., 1-1-12 Yushima, Bunkyo-ku, Tokyo 113-0034, Japan
Tel. +81-3-3257-0231

If this publication arrives damaged, please contact us for a replacement copy.

Printed in Japan

From
the People of Japan

Japan International Cooperation Agency
https://www.jica.go.jp/english/

Exhibit K

SECURITIES AND EXCHANGE COMMISSION

17 CFR PARTS 211, 231 and 241

[Release Nos. 33-9106; 34-61469; FR-82]

Commission Guidance Regarding Disclosure Related to Climate Change

AGENCY: Securities and Exchange Commission.

ACTION: Interpretation.

SUMMARY: The Securities and Exchange Commission ("SEC" or "Commission") is publishing this interpretive release to provide guidance to public companies regarding the Commission's existing disclosure requirements as they apply to climate change matters.

EFFECTIVE DATE: February 8, 2010.

FOR FURTHER INFORMATION CONTACT: Questions about specific filings should be directed to staff members responsible for reviewing the documents the registrant files with the Commission. For general questions about this release, contact James R. Budge at (202) 551-3115 or Michael E. McTiernan, Office of Chief Counsel at (202) 551-3500, in the Division of Corporation Finance, U.S. Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION:

I. Background and purpose of interpretive guidance

A. Introduction

Climate change has become a topic of intense public discussion in recent years. Scientists, government leaders, legislators, regulators, businesses, including insurance companies, investors, analysts and the public at large have expressed heightened interest in climate change. International accords, federal regulations, and state and local laws and regulations in the U.S. address concerns about the effects of greenhouse gas emissions on our environment,[1] and international efforts to address the concerns on a global basis continue.[2] The Environmental Protection Agency is taking action to address climate change concerns,[3] and Congress is considering climate change legislation.[4] Some business leaders are increasingly recognizing the current and potential effects on their companies' performance and operations, both positive and negative, that are associated with climate change and with efforts to reduce greenhouse gas emissions.[5] Many companies are providing information to their peers and to the public about their carbon footprints and their efforts to reduce them.[6]

---

1 For a listing of state and local government laws and regulations in this field, see http://www.epa.gov/climatechange/wycd/stateandlocalgov/index.html. Two significant international accords related to this topic are the Kyoto Protocol, which was adopted in Kyoto, Japan, on December 11, 1997 and became effective on February 16, 2005, and the European Union Emissions Trading System (EU ETS), which was launched as an international "cap and trade" system of allowances for emitting carbon dioxide and other greenhouse gases, built on the mechanisms set up under the Kyoto Protocol. See http://unfccc.int/kyoto_protocol/items/2830.php and http://ec.europa.eu/environment/climat/pdf/brochures/ets_en.pdf for a more detailed discussion of the Kyoto Protocol and EU ETS, respectively.

2 For example, in December 2009, Copenhagen, Denmark hosted the United Nations Climate Change Conference.

3 See e.g., Current and Near-Term Greenhouse Gas Reduction Initiatives, available at www.epa.gov/climatechange/policy/neartermghgreduction.html, for a discussion of EPA initiatives as well as other federal initiatives.

4 See e.g., American Clean Energy and Security Act of 2009, H.R.2454, 111th Cong., 1st Sess. (2009), passed by the House of Representatives on June 26, 2009, and Clean Energy Jobs and American Power Act of 2009, S. 1733, 111th Cong., 1st Session (2009), introduced in the Senate September 30, 2009.

5 See Appendix F to the Petition for Interpretive Guidance on Climate Risk Disclosure submitted September 18, 2007, File No. 4-547, for a sampling of comments by business leaders relating to climate change regulation and disclosure, available at http://www.sec.gov/rules/petitions/2007/petn4-547.pdf.

6 Companies are assessing and reporting on their greenhouse gas emissions and other climate change related matters using standards and guidelines promulgated by organizations with specific expertise in the field. Three such organizations are the Climate Registry, the Carbon Disclosure Project and the Global Reporting Initiative. We discuss this in more detail below.

This release outlines our views with respect to our existing disclosure requirements as they apply to climate change matters. This guidance is intended to assist companies in satisfying their disclosure obligations under the federal securities laws and regulations.

B. Background

1. Recent regulatory, legislative and other developments

In the last several years, a number of state and local governments have enacted legislation and regulations that result in greater regulation of greenhouse gas emissions.[7] Climate change related legislation is currently pending in Congress. The House of Representatives has approved one version of a bill,[8] and a similar bill was introduced in the Senate in the fall of 2009.[9] This legislation, if enacted, would limit and reduce greenhouse gas emissions through a "cap and trade" system of allowances and credits, among other provisions.

The Environmental Protection Agency has been taking steps to regulate greenhouse gas emissions. On January 1, 2010, the EPA began, for the first time, to require large emitters of greenhouse gases to collect and report data with respect to their greenhouse gas emissions.[10] This reporting requirement is expected to cover 85% of the nation's greenhouse gas emissions

---

[7] For example, in California, the Global Warming Solutions Act of 2006 and regulatory actions by the California Air Resources Board have resulted in restrictions on greenhouse gas emissions. In addition, state and regional programs, such as the Regional Greenhouse Gas Initiative (including ten Northeast and Mid-Atlantic states), the Western Climate Initiative (including seven Western states and four Canadian provinces) and the Midwestern Greenhouse Gas Reduction Accord (including six states and one Canadian province) have been developed to restrict greenhouse gas emissions. For a more detailed list of state action on climate change, see Pew Center on Global Climate Change, States News (available at http://www.pewclimate.org/states-regions/news?page=1).

[8] See American Clean Energy and Security Act of 2009.

[9] See Clean Energy Jobs and American Power Act of 2009.

[10] See Mandatory Reporting of Greenhouse Gases, Docket No. EPA–HQ–OAR–2008–0508, 74 FR 56260 (October 30, 2009).

generated by roughly 10,000 facilities.[11] In December 2009, the EPA issued an "endangerment and cause or contribute finding" for greenhouse gases under the Clean Air Act, which will allow the EPA to craft rules that directly regulate greenhouse gas emissions.[12]

Some members of the international community also have taken actions to address climate change issues on a global basis, and those actions can have a material impact on companies that report with the Commission. One such effort in the 1990s resulted in the Kyoto Protocol. Although the United States has never ratified the Kyoto Protocol, many registrants have operations outside of the United States that are subject to its standards.[13] Another important international regulatory system is the European Union Emissions Trading System (EU ETS), which was launched as an international "cap and trade" system of allowances for emitting carbon dioxide and other greenhouse gases, based on mechanisms set up under the Kyoto Protocol.[14] In addition, the United States government is participating in ongoing discussions with other nations, including the recent United Nations Climate Conference in Copenhagen, which may lead to future international treaties focused on remedying environmental damage caused by greenhouse

---

[11] See EPA Press Release "EPA Finalizes the Nation's First Greenhouse Gas Reporting System / Monitoring to begin in 2010" dated September 22, 2009, available at http://yosemite.epa.gov/opa/admpress.nsf/d0cf6618525a9efb85257359003fb69d/194e412153fcffea8525763900530d75!OpenDocument.

[12] Endangerment and Cause or Contribute Findings for Greenhouse Gases Under Section 202(a) of the Clean Air Act, Docket ID No. EPA-HQ-OAR-2009-0171, 74 FR 66496 (December 15, 2009). The Clean Air Act is found in 42 U.S.C. ch. 85.

[13] One of the major features of the Kyoto Protocol is that it sets binding targets for industrialized countries for reducing greenhouse gas emissions. These amount to an average of five per cent against 1990 levels over the five-year period 2008-2012.

[14] See n. 1, supra.

gas emissions. Those accords ultimately could have a material impact on registrants that file disclosure documents with the Commission.[15]

The insurance industry is already adjusting to these developments. A 2008 study listed climate change as the number one risk facing the insurance industry.[16] Reflecting this assessment, the National Association of Insurance Commissioners recently promulgated a uniform standard for mandatory disclosure by insurance companies to state regulators of financial risks due to climate change and actions taken to mitigate them.[17] We understand that insurance companies are developing new actuarial models and designing new products to reshape coverage for green buildings, renewable energy, carbon risk management and directors' and officers' liability, among other actions.[18]

2. Potential impact of climate change related matters on public companies

For some companies, the regulatory, legislative and other developments noted above could have a significant effect on operating and financial decisions, including those involving capital expenditures to reduce emissions and, for companies subject to "cap and trade" laws,

---

15 The terms of the Kyoto Protocol are set to expire in 2012. Ongoing international discussions, including the United Nations Climate Change Conference held in Copenhagen, Denmark in mid-December 2009, are intended to further develop a framework to carry on international greenhouse gas emission reduction standards beyond 2012.

16 Strategic business risk 2008 - Insurance , a report prepared by Ernst & Young and Oxford Analytica. See Ernst & Young press release dated March 12, 2008, available at http://www.ey.com/GL/en/Newsroom/News-releases/Media---Press-Release---Strategic-Risk-to-Insurance-Industry.

17 On March 17, 2009, the NAIC adopted a mandatory requirement that insurance companies disclose to regulators the financial risks they face from climate change, as well as actions the companies are taking to respond to those risks. All insurance companies with annual premiums of $500 million or more will be required to complete an Insurer Climate Risk Disclosure Survey every year, with an initial reporting deadline of May 1, 2010. The surveys must be submitted in the state where the insurance company is domesticated. See Insurance Regulators Adopt Climate Change Risk Disclosure, available at www.naic.org/Releases/2009_docs/climate_change_risk_disclosure_adopted.htm.

18 See Klein, Christopher, Climate Change, Part IV: (Re)insurance Industry response, May 28, 2009, available at www.gccapitalideas.com/2009/05/28/climate-change-part-iv-reinsurance-industry-response.

expenses related to purchasing allowances where reduction targets cannot be met. Companies that may not be directly affected by such developments could nonetheless be indirectly affected by changing prices for goods or services provided by companies that are directly affected and that seek to reflect some or all of their changes in costs of goods in the prices they charge. For example, if a supplier's costs increase, that could have a significant impact on its customers if those costs are passed through, resulting in higher prices for customers. New trading markets for emission credits related to "cap and trade" programs that might be established under pending legislation, if adopted, could present new opportunities for investment. These markets also could allow companies that have more allowances than they need, or that can earn offset credits through their businesses, to raise revenue through selling these instruments into those markets. Some companies might suffer financially if these or similar bills are enacted by the Congress while others could benefit by taking advantage of new business opportunities.

In addition to legislative, regulatory, business and market impacts related to climate change, there may be significant physical effects of climate change that have the potential to have a material effect on a registrant's business and operations. These effects can impact a registrant's personnel, physical assets, supply chain and distribution chain. They can include the impact of changes in weather patterns, such as increases in storm intensity, sea-level rise, melting of permafrost and temperature extremes on facilities or operations. Changes in the availability or quality of water, or other natural resources on which the registrant's business depends, or damage to facilities or decreased efficiency of equipment can have material effects on companies.[19] Physical changes associated with climate change can decrease consumer

---

[19] For one view of the anticipated business-related physical risks resulting from climate change, see Industry Update: Global Warming & the Insurance Industry -- Will Insurers Be Burned by the Climate Change Phenomenon?, available at http://www.aon.com/about-aon/intellectual-capital/attachments/risk-services/will_insurers_be_burned_by_the_climate_change_phenomenon.pdf. Another example of how

demand for products or services; for example, warmer temperatures could reduce demand for residential and commercial heating fuels, service and equipment.

For some registrants, financial risks associated with climate change may arise from physical risks to entities other than the registrant itself. For example, climate change-related physical changes and hazards to coastal property can pose credit risks for banks whose borrowers are located in at-risk areas. Companies also may be dependent on suppliers that are impacted by climate change, such as companies that purchase agricultural products from farms adversely affected by droughts or floods.

3. Current sources of climate change related disclosures regarding public companies

There have been increasing calls for climate-related disclosures by shareholders of public companies. This is reflected in the several petitions for interpretive advice submitted by large institutional investors and other investor groups.[20] The New York Attorney General's Office

---

physical risks attributable to climate change are changing business and risk assessments is the Federal Emergency Management Agency's plan to update its risk mapping, assessment and planning to better reflect the effects of climate change, such as changing rainfall data, and hurricane patterns and intensities. See "Risk Mapping, Assessment, and Planning (Risk MAP): Fiscal Year 2009 Flood Mapping Production Plan," Version 1, May 2009, available at http://www.fema.gov/library/viewRecord.do?id=3680.

[20] See Petition for Interpretive Guidance on Climate Risk Disclosures, dated September 19, 2007, File No. 4-547, available at http://www.sec.gov/rules/petitions/2007/petn4-547.pdf; supplemental petition dated June 12, 2008, available at http://www.sec.gov/rules/petitions/2008/petn4-547-supp.pdf; second supplemental petition dated November 23, 2009, available at http://www.sec.gov/rules/petitions/2009/petn4-547-supp.pdf. For other petitions on point, see also Petition for Interpretive Guidance on Business Risk of Global Warming Regulation, submitted on behalf of the Free Enterprise Action Fund on October 22, 2007, File Number 4-549, available at http://www.sec.gov/rules/petitions/2007/petn4-549.pdf. One petition urges the Commission to issue guidance warning companies not to include information on climate change that may be false and misleading; see Petition for Interpretive Guidance on Public Statements Concerning Global Warming and Other Environmental Issues, submitted on behalf of the Free Enterprise Action Fund on July 21, 2008, File No. 4-563, available at http://www.sec.gov/rules/petitions/2008/petn4-563.pdf. While not a formal petition, Ceres has provided the Commission with the results of a study it commissioned in conjunction with the Environmental Defense Fund regarding climate risk disclosure in SEC filings and suggests that the Commission issue guidance on this topic. See Climate Risk Disclosure in SEC Filings: An Analysis of 10-K Reporting by Oil and Gas, Insurance, Coal, and Transportation and Electric Power Companies, June 2009, available at http://www.ceres.org/Document.Doc?id=473.

The Subcommittee on Securities, Insurance, and Investment of the Senate Committee on Banking, Housing, and Urban Development held a hearing on corporate disclosure of climate-related issues on October 31, 2007; representatives of signatories to the September 19, 2007 petition, among others, testified in that hearing. See recently has entered into settlement agreements with three energy companies under its investigation regarding their disclosures about their greenhouse gas emissions and potential liabilities to the companies resulting from climate change and related regulation. The companies agreed in the settlement agreements to enhance their disclosures relating to climate change and greenhouse gas emissions in their annual reports filed with the Commission.[21]

Although some information relating to greenhouse gas emissions and climate change is disclosed in SEC filings,[22] much more information is publicly available outside of public company disclosure documents filed with the SEC as a result of voluntary disclosure initiatives or other regulatory requirements. For example, in addition to the disclosure requirements mandated in several states[23] and the disclosure that the EPA began requiring at the start of 2010, The Climate Registry provides standards for and access to climate-related information. The

---

"Climate Disclosure: Measuring Financial Risks and Opportunities," available at http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=ed7a4968-1019-411d-9a22-c193c6b689ea. Following the hearing, Senators Christopher Dodd and Jack Reed wrote to Chairman Christopher Cox urging the Commission to issue guidance regarding climate disclosure. See http://dodd.senate.gov/multimedia/2007/120607_CoxLetter.pdf.

21 For information about the settlement agreements, see the New York Attorney General's Office press releases relating to: Xcel Energy, available at http://www.oag.state.ny.us/media_center/2008/aug/aug27a_08.html; Dynegy Inc., available at http://www.oag.state.ny.us/media_center/2008/oct/oct23a_08.html; and AES Corporation, available at http://www.oag.state.ny.us/media_center/2009/nov/nov19a_09.html.

22 For example, in the electric utility industry, we have been informed by the Edison Electric Institute that 95% of the member companies it recently surveyed reported that they included at least some disclosure related to greenhouse gas emissions in their SEC filings, with 34% discussing quantities of greenhouse gases emitted and 23% discussing costs of climate-related compliance. Registrants include this type of disclosure in the risk factors, business description, legal proceedings, executive compensation, MD&A and financial statements sections of their annual reports. The Edison Electric Institute is an association of U.S. shareholder-owned electric companies. Their members serve 95 percent of the customers in the shareholder-owned segment of the industry, and represent approximately 70 percent of the U.S. electric power industry. The EEI also has more than 80 international electric companies as affiliate members, and nearly 200 industry suppliers and related organizations as associate members. The EEI described the results of its survey in a presentation to staff members of the Division of Corporation Finance.

23 State requirements include CO_2 emissions disclosure requirements for electricity providers, greenhouse gas registries for reporting of entity emissions levels and emissions changes, and required reporting of greenhouse gas emissions. For a discussion of specific state requirements, see http://epa.gov/climatechange/wycd/stateandlocalgov/state_reporting.html.

Registry is a non-profit collaboration among North American states, provinces, territories and native sovereign nations that sets standards to calculate, verify and publicly report greenhouse gas emissions into a single public registry. The Registry supports both voluntary and state-mandated reporting programs and provides data regarding greenhouse gas emissions.[24]

The Carbon Disclosure Project collects and distributes climate change information, both quantitative (emissions amounts) and qualitative (risks and opportunities), on behalf of 475 institutional investors.[25] Over 2500 companies globally reported to the Carbon Disclosure Project in 2009; over 500 of those companies were U.S. companies. Sixty-eight percent of the companies that responded to the Carbon Disclosure Project's investor requests for information made their reports available to the public.[26]

The Global Reporting Initiative has developed a widely used sustainability reporting framework.[27] That framework is developed by GRI participants drawn from business, labor and professional institutions worldwide. The GRI framework sets out principles and indicators that organizations can use to measure and report their economic, environmental, and social performance, including issues involving climate change. Sustainability reports based on the GRI framework are used to benchmark performance with respect to laws, norms, codes, performance standards and voluntary initiatives, demonstrate organizational commitment to sustainable development, and compare organizational performance over time.

---

24 The Climate Registry's Web site is at www.theclimateregistry.org. Reports are publicly available through their Web site at no charge. See http://www.theclimateregistry.org/resources/climate-registry-information-system-cris/public-reports/.

25 The Carbon Disclosure Project's Web site is at www.cdproject.net.

26 These figures were provided to the Commission staff by representatives of the Carbon Disclosure Project.

27 The GRI's Web site is at www.globalreporting.org.

These and other reporting mechanisms can provide important information to investors outside of disclosure documents filed with the Commission. Although much of this reporting is provided voluntarily, registrants should be aware that some of the information they may be reporting pursuant to these mechanisms also may be required to be disclosed in filings made with the Commission pursuant to existing disclosure requirements.

II. Historical background of SEC environmental disclosure

The Commission first addressed disclosure of material environmental issues in the early 1970s. The Commission issued an interpretive release stating that registrants should consider disclosing in their SEC filings the financial impact of compliance with environmental laws, based on the materiality of the information.[28] Throughout the 1970s, the Commission continued to explore the need for specific rules mandating disclosure of information relating to litigation and other business costs arising out of compliance with federal, state and local laws that regulate the discharge of materials into the environment or otherwise relate to the protection of the environment. These topics were the subject of several rulemaking efforts, extensive litigation, and public hearings, all of which resulted in the rules that now specifically address disclosure of environmental issues.[29] The Commission adopted these rules, which we discuss below, in final and current form in 1982, after a decade of evaluation and experience with the subject matter.[30]

Earlier, beginning in 1968, we began to develop and fine-tune our requirements for management to discuss and analyze their company's financial condition and results of operations

---

28 Release No. 33-5170 (July 19, 1971) [36 FR 13989].

29 See Interpretive Release No. 33-6130 (September 27, 1979) [44 FR 56924] (the "1979 Release"), which includes a brief summary of the legal and administrative actions taken with regard to environmental disclosure during the 1970s. More information relating to the Commission's efforts in this area is chronicled in Release No. 33-6315 (May 4, 1981) [46 FR 25638].

30 Release No. 33-6383 (March 3, 1982) [47 FR 11380].

in disclosure documents filed with the Commission.[31] During the 1970s and 1980s, materiality standards for disclosure under the federal securities laws also were more fully articulated.[32] Those standards provide that information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding how to vote or make an investment decision, or, put another way, if the information would alter the total mix of available information.[33] In the articulation of the materiality standards, it was recognized that doubts as to materiality of information would be commonplace, but that, particularly in view of the prophylactic purpose of the securities laws and the fact that disclosure is within management's control, "it is appropriate that these doubts be resolved in favor of those the statute is designed to protect."[34] With these developments, registrants had clearer guidance about what they should disclose in their filings.

More recently, the Commission reviewed its full disclosure program relating to environmental disclosures in SEC filings in connection with a Government Accountability Office review.[35] The Commission also has had the opportunity to consider the thoughtful

---

31 See Release No. 33-6835 (May 18, 1989) [54 FR 22427] (the "1989 Release") and Release No. 33-8350 (December 19, 2003) [68 FR 75055] (the "2003 Release") for detailed histories of Commission releases that outline the background of, and interpret, our MD&A rules.

32 See TSC Industries, Inc. v. Northway, Inc., 426 U.S. 438 (1976) (adopting a standard for materiality in connection with proxy statement disclosures supported by the Commission, see id. at n. 10) and Basic Inc. v. Levinson, 485 U.S. 224 (1988).

33 Basic at 231, quoting TSC Industries at 449.

34 TSC Industries at 448.

35 "Environmental Disclosure: SEC Should Explore Ways to Improve Tracking and Transparency of Information," United States Government Accountability Office Report to Congressional Requesters, GAO-04-808 (July 2004). Eleven years before, at the request of the Chairman of the House Committee on Energy and Commerce, the GAO had prepared a report relating to environmental liability disclosure involving property and casualty insurers and Superfund cleanup costs. See "Environmental Liability: Property and Casualty Insurer Disclosure of Environmental Liabilities," GAO/RCED-93-108 (June 1993), available at http://74.125.93.132/search?q=cache:tWeHLDHoIcUJ:www.gao.gov/cgi-bin/getrpt%3FGAO/RCED-93-108+GAO/RCED-93-108&cd=1&hl=en&ct=clnk&gl=us.

suggestions that many organizations have provided us recently about how the Commission could direct registrants to enhance their disclosure about climate change related matters.[36]

III. Overview of rules requiring disclosure of climate change issues

When a registrant is required to file a disclosure document with the Commission, the requisite form will largely refer to the disclosure requirements of Regulation S-K[37] and Regulation S-X.[38] Securities Act Rule 408 and Exchange Act Rule 12b-20 require a registrant to disclose, in addition to the information expressly required by Commission regulation, "such further material information, if any, as may be necessary to make the required statements, in light of the circumstances under which they are made, not misleading."[39] In this section, we briefly describe the most pertinent non-financial statement disclosure rules that may require disclosure related to climate change; in the following section, we discuss their application to disclosure of certain specific climate change related matters.

A. Description of business.

Item 101 of Regulation S-K requires a registrant to describe its business and that of its subsidiaries. The Item lists a variety of topics that a registrant must address in its disclosure documents, including disclosure about its form of organization, principal products and services, major customers, and competitive conditions. The disclosure requirements cover the registrant and, in many cases, each reportable segment about which financial information is presented in the financial statements. If the information is material to individual segments of the business, a registrant must identify the affected segments.

---

36 See n. 20, supra.

37 17 CFR Part 229.

38 17 CFR Part 210.

39 17 CFR 230.408 and 17 CFR 240.12b-20.

Item 101 expressly requires disclosure regarding certain costs of complying with environmental laws.[40] In particular, Item 101(c)(1)(xii) states:

> Appropriate disclosure also shall be made as to the material effects that compliance with Federal, State and local provisions which have been enacted or adopted regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, may have upon the capital expenditures, earnings and competitive position of the registrant and its subsidiaries. The registrant shall disclose any material estimated capital expenditures for environmental control facilities for the remainder of its current fiscal year and its succeeding fiscal year and for such further periods as the registrant may deem material.[41]

A registrant meeting the definition of "smaller reporting company" may satisfy its disclosure obligation by providing information called for by Item 101(h). Item 101(h)(4)(xi) requires disclosure of the "costs and effects of compliance with environmental laws (federal, state and local)."[42]

B. Legal proceedings.

Item 103 of Regulation S-K[43] requires a registrant to briefly describe any material pending legal proceeding to which it or any of its subsidiaries is a party. A registrant also must describe material pending legal actions in which its property is the subject of the litigation.[44] If a registrant is aware of similar actions contemplated by governmental authorities, Item 103

---

40 The Commission first addressed disclosure of material costs and other effects on business resulting from compliance with existing environmental law in its first environmental disclosure interpretive release in 1971. See Release 33-5170 (July 19, 1971) [36 FR 13989]. The Commission codified that interpretive position in the disclosure forms two years later. See Release 33-5386 (April 20, 1973) [38 FR 12100]. The Commission provided additional interpretive guidance in the 1979 Release. With some adjustments to reflect experience with the subject matter, the requirements were moved to Item 101 in 1982, and they have not changed since that time. See Release No. 33-6383 (March 3, 1982) [47 FR 11380].

41 17 CFR 229.101(c)(1)(xii).

42 17 CFR 229.101(h)(4)(xi).

43 17 CFR 229.103.

44 Id.

requires disclosure of those proceedings as well. A registrant need not disclose ordinary routine litigation incidental to its business or other types of proceedings when the amount in controversy is below thresholds designated in this Item.

Instruction 5 to Item 103 provides some specific requirements that apply to disclosure of certain environmental litigation.[45] Instruction 5 states:

> Notwithstanding the foregoing, an administrative or judicial proceeding (including, for purposes of A and B of this Instruction, proceedings which present in large degree the same issues) arising under any Federal, State or local provisions that have been enacted or adopted regulating the discharge of materials into the environment or primary for the purpose of protecting the environment shall not be deemed "ordinary routine litigation incidental to the business" and shall be described if:
>
> (A) Such proceeding is material to the business or financial condition of the registrant;
>
> (B) Such proceeding involves primarily a claim for damages, or involves potential monetary sanctions, capital expenditures, deferred charges or charges to income and the amount involved, exclusive of interest and costs, exceeds 10 percent of the current assets of the registrant and its subsidiaries on a consolidated basis; or
>
> (C) A governmental authority is a party to such proceeding and such proceeding involves potential monetary sanctions, unless the registrant reasonably believes that such proceeding will result in no monetary sanctions, or in monetary sanctions, exclusive of interest and costs, of less than $100,000; provided, however, that such proceedings which are similar in nature may be grouped and described generically.

[45] Instruction 5 in its current form was the product of the Commission's experience with environmental litigation disclosure. In 1973, we added provisions to the legal proceedings requirements of various disclosure forms singling out legal actions involving environmental matters. See Release No. 33-5386 (Apr. 20, 1973) [38 FR 12100]. The new rules required disclosure of any pending legal proceeding arising under environmental laws if a governmental entity was involved in the proceeding, and any other legal proceeding arising under environmental laws unless it was not material, or if in a civil suit for damages, unless it involved less than 10% of the current assets of the registrant on a consolidated basis. The Commission provided additional interpretive guidance regarding environmental litigation in the 1979 Release. When the Commission, in connection with its development of the integrated disclosure system, moved these rules out of various forms and into Item 103 of Regulation S-K, the Commission modified the requirements related to actions involving governmental authorities to allow registrants to omit disclosure of a proceeding if they reasonably believed the action would result in a monetary sanction of less than $100,000. See Release No. 33-6383 (Mar. 3, 1982) [47 FR 11380]. At the time, the Commission noted that the reason for the revision was to address the problem that disclosure documents were being filled with descriptions of minor infractions that distracted from the other material disclosures included in the document.

C. Risk factors.

Item 503(c) of Regulation S-K[46] requires a registrant to provide where appropriate, under the heading "Risk Factors," a discussion of the most significant factors that make an investment in the registrant speculative or risky. Item 503(c) specifies that risk factor disclosure should clearly state the risk and specify how the particular risk affects the particular registrant; registrants should not present risks that could apply to any issuer or any offering.[47]

D. Management's discussion and analysis.

Item 303 of Regulation S-K[48] requires disclosure known as the Management's Discussion and Analysis of Financial Condition and Results of Operations, or MD&A. The MD&A requirements are intended to satisfy three principal objectives:

- to provide a narrative explanation of a registrant's financial statements that enables investors to see the registrant through the eyes of management;
- to enhance the overall financial disclosure and provide the context within which financial information should be analyzed; and
- to provide information about the quality of, and potential variability of, a registrant's earnings and cash flow, so that investors can ascertain the likelihood that past performance is indicative of future performance.[49]

MD&A disclosure should provide material historical and prospective textual disclosure enabling investors to assess the financial condition and results of operations of the registrant, with

---

46 17 CFR 229.503(c).

47 Id.

48 17 CFR 229.303.

49 2003 Release.

particular emphasis on the registrant's prospects for the future.[50] Some of this information is itself non-financial in nature, but bears on registrants' financial condition and operating performance.

The Commission has issued several releases providing guidance on MD&A disclosure, including on the general requirements of the item and its application to specific disclosure matters.[51] Over the years, the flexible nature of this requirement has resulted in disclosures that keep pace with the evolving nature of business trends without the need to continuously amend the text of the rule. Nevertheless, we and our staff continue to have to remind registrants, through comments issued in the filing review process, public statements by staff and Commissioners and otherwise, that the disclosure provided in response to this requirement should be clear and communicate to shareholders management's view of the company's financial condition and prospects.[52]

Item 303 includes a broad range of disclosure items that address the registrant's liquidity, capital resources and results of operations. Some of these provisions, such as the requirement to provide tabular disclosure of contractual obligations,[53] clearly specify the disclosure required for compliance. But others instead identify principles and require management to apply the principles in the context of the registrant's particular circumstances. For example, registrants must identify and disclose known trends, events, demands, commitments and uncertainties that

---

[50] 1989 Release.

[51] See, e.g., the 2003 Release; Release No. 33-8182 (Jan. 28, 2003) [68 FR 5982]; Release No. 33-8056 (Jan. 22, 2002) [67 FR 3746]; Release. No. 33-7558 (Jul. 29, 1998) [63 FR 41394]; and 1989 Release.

[52] See, e.g., speech by Commissioner Cynthia A. Glassman to the Corporate Counsel Institute (Mar. 9, 2006) available at www.sec.gov/news/speech/spch030906cag.htm; and speech by Commissioner Elisse B. Walter to the Corporate Counsel Institute (Oct. 2, 2009) available at www.sec.gov/news/speech/2009/spch100209ebw.htm.

[53] 17 CFR 229.303(a)(5).

are reasonably likely[54] to have a material effect on financial condition or operating performance. This disclosure should highlight issues that are reasonably likely to cause reported financial information not to be necessarily indicative of future operating performance or of future financial condition.[55] Disclosure decisions concerning trends, demands, commitments, events, and uncertainties generally should involve the:

- consideration of financial, operational and other information known to the registrant;
- identification, based on this information, of known trends and uncertainties; and
- assessment of whether these trends and uncertainties will have, or are reasonably likely to have, a material impact on the registrant's liquidity, capital resources or results of operations.[56]

The Commission has not quantified, in Item 303 or otherwise, a specific future time period that must be considered in assessing the impact of a known trend, event or uncertainty that is reasonably likely to occur. As with any other judgment required by Item 303, the necessary time period will depend on a registrant's particular circumstances and the particular trend, event or uncertainty under consideration. For example, a registrant considering its disclosure obligation with respect to its liquidity needs would have to consider the duration of its known capital requirements and the periods over which cash flows are managed in determining the time period of its disclosure regarding future capital sources.[57] In addition, the time horizon of a known trend, event or uncertainty may be relevant to a registrant's assessment of the

---

54 "Reasonably likely" is a lower disclosure standard than "more likely than not." Release No. 33-8056 (Jan. 22, 2002) [67 FR 3746].

55 2003 Release.

56 Id.

57 Id. at n.43.

materiality of the matter and whether or not the impact is reasonably likely. As with respect to other subjects of disclosure, materiality "with respect to contingent or speculative information or events . . . 'will depend at any given time upon a balancing of both the indicated probability that the event will occur and the anticipated magnitude of the event in light of the totality of the company activity.'"[58]

The nature of certain MD&A disclosure requirements places particular importance on a registrant's materiality determinations. The Commission has recognized that the effectiveness of MD&A decreases with the accumulation of unnecessary detail or duplicative or uninformative disclosure that obscures material information.[59] Registrants drafting MD&A disclosure should focus on material information and eliminate immaterial information that does not promote understanding of registrants' financial condition, liquidity and capital resources, changes in financial condition and results of operations.[60] While these materiality determinations may limit what is actually disclosed, they should not limit the information that management considers in making its determinations. Improvements in technology and communications in the last two decades have significantly increased the amount of financial and non-financial information that management has and should evaluate, as well as the speed with which management receives and is able to use information. While this should not necessarily result in increased MD&A disclosure, it does provide more information that may need to be considered in drafting MD&A disclosure. In identifying, discussing and analyzing known material trends and uncertainties, registrants are expected to consider all relevant information even if that information is not

---

58 Basic at 238, quoting Texas Gulf Sulfur Co., 401 F. 2d 833 (2d Cir. 1968) at 849.

59 2003 Release.

60 Id.

required to be disclosed,[61] and, as with any other disclosure judgments, they should consider whether they have sufficient disclosure controls and procedures to process this information.[62]

Analyzing the materiality of known trends, events or uncertainties may be particularly challenging for registrants preparing MD&A disclosure. As the Commission explained in the 1989 Release, when a trend, demand, commitment, event or uncertainty is known, "management must make two assessments:

- Is the known trend, demand, commitment, event or uncertainty likely to come to fruition? If management determines that it is not reasonably likely to occur, no disclosure is required.
- If management cannot make that determination, it must evaluate objectively the consequences of the known trend, demand, commitment, event or uncertainty, on the assumption that it will come to fruition. Disclosure is then required unless management determines that a material effect on the registrant's financial condition or results of operations is not reasonably likely to occur."[63]

---

61 Id.

62 Pursuant to Exchange Act Rules 13a-15 and 15d-15, a company's principal executive officer and principal financial officer must make certifications regarding the maintenance and effectiveness of disclosure controls and procedures. These rules define "disclosure controls and procedures" as those controls and procedures designed to ensure that information required to be disclosed by the company in the reports that it files or submits under the Exchange Act is (1) "recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms," and (2) "accumulated and communicated to the company's management … as appropriate to allow timely decisions regarding required disclosure." As we have stated before, a company's disclosure controls and procedures should not be limited to disclosure specifically required, but should also ensure timely collection and evaluation of "information potentially subject to [required] disclosure," "information that is relevant to an assessment of the need to disclose developments and risks that pertain to the [company's] businesses," and "information that must be evaluated in the context of the disclosure requirement of Exchange Act Rule 12b-20." Release No. 33-8124 (Aug. 28, 2002) [67 FR 57276].

63 1989 Release.

Identifying and assessing known material trends and uncertainties generally will require registrants to consider a substantial amount of financial and non-financial information available to them, including information that itself may not be required to be disclosed.[64]

Registrants should address, when material, the difficulties involved in assessing the effect of the amount and timing of uncertain events, and provide an indication of the time periods in which resolution of the uncertainties is anticipated.[65] In accordance with Item 303(a), registrants must also disclose any other information a registrant believes is necessary to an understanding of its financial condition, changes in financial condition and results of operations.

E. Foreign private issuers.

The Securities Act and Exchange Act disclosure obligations of foreign private issuers are governed principally by Form 20-F's[66] disclosure requirements and not those under Regulation S-K. However, most of the disclosure requirements applicable to domestic issuers under Regulation S-K that are most likely to require disclosure related to climate change have parallels under Form 20-F, although some of the requirements are not as prescriptive as the provisions applicable to domestic issuers. For example, the following provisions of Form 20-F may require a foreign private issuer to provide disclosure concerning climate change matters that are material to its business:

- Item 3.D, which requires a foreign private issuer to disclose its material risks;
- Item 4.B.8, which requires a foreign private issuer to describe the material effects of government regulation on its business and to identify the particular regulatory body;

64 2003 Release

65 Id.

66 17 CFR 249.220f.

- Item 4.D, which requires a foreign private issuer to describe any environmental issues that may affect the company's utilization of its assets;
- Item 5, which requires management's explanation of factors that have affected the company's financial condition and results of operations for the historical periods covered by the financial statements, and management's assessment of factors and trends that are anticipated to have a material effect on the company's financial condition and results of operations in future periods; and
- Item 8.A.7, which requires a foreign private issuer to provide information on any legal or arbitration proceedings, including governmental proceedings, which may have, or have had in the recent past, significant effects on the company's financial position or profitability.

Forms F-1[67] and F-3,[68] Securities Act registration statement forms for foreign private issuers, also require a foreign private issuer to provide the information, including risk factor disclosure, required under Regulation S-K Item 503.

IV. Climate change related disclosures

In the previous section we summarized a number of Commission rules and regulations that may be the source of a disclosure obligation for registrants under the federal securities laws. Depending on the facts and circumstances of a particular registrant, each of the items discussed above may require disclosure regarding the impact of climate change. The following topics are some of the ways climate change may trigger disclosure required by these rules and

---

[67] 17 CFR 239.31.

[68] 17 CFR 239.33.

regulations.[69] These topics are examples of climate change related issues that a registrant may need to consider.

A. Impact of legislation and regulation.

As discussed above, there have been significant developments in federal and state legislation and regulation regarding climate change. These developments may trigger disclosure obligations under Commission rules and regulations, such as pursuant to Items 101, 103, 503(c) and 303 of Regulation S-K. With respect to existing federal, state and local provisions which relate to greenhouse gas emissions, Item 101 requires disclosure of any material estimated capital expenditures for environmental control facilities for the remainder of a registrant's current fiscal year and its succeeding fiscal year and for such further periods as the registrant may deem material. Depending on a registrant's particular circumstances, Item 503(c) may require risk factor disclosure regarding existing or pending legislation or regulation that relates to climate change. Registrants should consider specific risks they face as a result of climate change legislation or regulation and avoid generic risk factor disclosure that could apply to any company. For example, registrants that are particularly sensitive to greenhouse gas legislation or regulation, such as registrants in the energy sector, may face significantly different risks from climate change legislation or regulation compared to registrants that currently are reliant on products that emit greenhouse gases, such as registrants in the transportation sector.

Item 303 requires registrants to assess whether any enacted climate change legislation or regulation is reasonably likely to have a material effect on the registrant's financial condition or

---

69 In addition to the Regulation S-K items discussed in this section, registrants must also consider any financial statement implications of climate change issues in accordance with applicable accounting standards, including Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 450, Contingencies, and FASB Accounting Standards Codification Topic 275, Risks and Uncertainties.

results of operation.[70] In the case of a known uncertainty, such as pending legislation or regulation, the analysis of whether disclosure is required in MD&A consists of two steps. First, management must evaluate whether the pending legislation or regulation is reasonably likely to be enacted. Unless management determines that it is not reasonably likely to be enacted, it must proceed on the assumption that the legislation or regulation will be enacted. Second, management must determine whether the legislation or regulation, if enacted, is reasonably likely to have a material effect on the registrant, its financial condition or results of operations. Unless management determines that a material effect is not reasonably likely,[71] MD&A disclosure is required.[72] In addition to disclosing the potential effect of pending legislation or regulation, the registrant would also have to consider disclosure, if material, of the difficulties involved in assessing the timing and effect of the pending legislation or regulation.[73]

A registrant should not limit its evaluation of disclosure of a proposed law only to negative consequences. Changes in the law or in the business practices of some registrants in response to the law may provide new opportunities for registrants. For example, if a "cap and trade" type system is put in place, registrants may be able to profit from the sale of allowances if their emissions levels end up being below their emissions allotment. Likewise, those who are not covered by statutory emissions caps may be able to profit by selling offset credits they may qualify for under new legislation.

---

70 See 1989 Release.

71 Management should ensure that it has sufficient information regarding the registrant's greenhouse gas emissions and other operational matters to evaluate the likelihood of a material effect arising from the subject legislation or regulation. See n. 62, supra.

72 In 2003 we issued additional guidance with respect to how registrants could improve MD&A disclosure, including ideas about how to focus on material issues and how to present information in a more effective manner to be of more value to investors. See 2003 Release.

Examples of possible consequences of pending legislation and regulation related to climate change include:

- Costs to purchase, or profits from sales of, allowances or credits under a "cap and trade" system;
- Costs required to improve facilities and equipment to reduce emissions in order to comply with regulatory limits or to mitigate the financial consequences of a "cap and trade" regime; and
- Changes to profit or loss arising from increased or decreased demand for goods and services produced by the registrant arising directly from legislation or regulation, and indirectly from changes in costs of goods sold.

We reiterate that climate change regulation is a rapidly developing area. Registrants need to regularly assess their potential disclosure obligations given new developments.

B. International accords.

Registrants also should consider, and disclose when material, the impact on their business of treaties or international accords relating to climate change. We already have noted the Kyoto Protocol, the EU ETS and other international activities in connection with climate change remediation. The potential sources of disclosure obligations related to international accords are the same as those discussed above for U.S. climate change regulation. Registrants whose businesses are reasonably likely to be affected by such agreements should monitor the progress of any potential agreements and consider the possible impact in satisfying their disclosure obligations based on the MD&A and materiality principles previously outlined.

---

[73] See 2003 Release for a discussion of how companies should address, where material, the difficulties involved in assessing the effect of the amount and timing of uncertain events.

C. Indirect consequences of regulation or business trends.

Legal, technological, political and scientific developments regarding climate change may create new opportunities or risks for registrants. These developments may create demand for new products or services, or decrease demand for existing products or services. For example, possible indirect consequences or opportunities may include:

- Decreased demand for goods that produce significant greenhouse gas emissions;
- Increased demand for goods that result in lower emissions than competing products;[74]
- Increased competition to develop innovative new products;
- Increased demand for generation and transmission of energy from alternative energy sources; and
- Decreased demand for services related to carbon based energy sources, such as drilling services or equipment maintenance services.

These business trends or risks may be required to be disclosed as risk factors or in MD&A. In some cases, these developments could have a significant enough impact on a registrant's business that disclosure may be required in its business description under Item 101. For example, a registrant that plans to reposition itself to take advantage of potential opportunities, such as through material acquisitions of plants or equipment, may be required by Item 101(a)(1) to disclose this shift in plan of operation. Registrants should consider their own particular facts and circumstances in evaluating the materiality of these opportunities and obligations.

---

[74] For example, recent legislation will ultimately phase out most traditional incandescent light bulbs. This has resulted in the acceleration of the development and marketing of compact fluorescent light bulbs. See Energy Independence and Security Act of 2007, Pub. L. No. 110-140, 121 Stat. 1492 (2007).

Another example of a potential indirect risk from climate change that would need to be considered for risk factor disclosure is the impact on a registrant's reputation. Depending on the nature of a registrant's business and its sensitivity to public opinion, a registrant may have to consider whether the public's perception of any publicly available data relating to its greenhouse gas emissions could expose it to potential adverse consequences to its business operations or financial condition resulting from reputational damage.

D. Physical impacts of climate change.

Significant physical effects of climate change, such as effects on the severity of weather (for example, floods or hurricanes), sea levels, the arability of farmland, and water availability and quality,[75] have the potential to affect a registrant's operations and results. For example, severe weather can cause catastrophic harm to physical plants and facilities and can disrupt manufacturing and distribution processes. A 2007 Government Accountability Office report states that 88% of all property losses paid by insurers between 1980 and 2005 were weather-related.[76] As noted in the GAO report, severe weather can have a devastating effect on the financial condition of affected businesses. The GAO report cites a number of sources to support the view that severe weather scenarios will increase as a result of climate change brought on by an overabundance of greenhouse gases.

Possible consequences of severe weather could include:

---

[75] See "Climate Change: Financial Risks to Federal and Private Insurers in Coming Decades Are Potentially Significant: U.S. Government Accountability Office Report to the Committee on Homeland Security and Governmental Affairs, U.S. Senate," GAO-07-285 (March 2007).

[76] Id. at p.17.

- For registrants with operations concentrated on coastlines, property damage and disruptions to operations, including manufacturing operations or the transport of manufactured products;
- Indirect financial and operational impacts from disruptions to the operations of major customers or suppliers from severe weather, such as hurricanes or floods;
- Increased insurance claims and liabilities for insurance and reinsurance companies[77];
- Decreased agricultural production capacity in areas affected by drought or other weather-related changes; and
- Increased insurance premiums and deductibles, or a decrease in the availability of coverage, for registrants with plants or operations in areas subject to severe weather.

Registrants whose businesses may be vulnerable to severe weather or climate related events should consider disclosing material risks of, or consequences from, such events in their publicly filed disclosure documents.

V. Conclusion

This interpretive release is intended to remind companies of their obligations under existing federal securities laws and regulations to consider climate change and its consequences as they prepare disclosure documents to be filed with us and provided to investors. We will monitor the impact of this interpretive release on company filings as part of our ongoing disclosure review program. In addition, the Commission's Investor Advisory Committee[78] is

77 Many insurers already have plans in place to address the increased risks that may arise as a result of climate change, with many reducing their near-term catastrophic exposure in both reinsurance and primary insurance coverage along the Gulf Coast and the eastern seaboard. Id. at 32.

78 The Investor Advisory Committee was formed on June 3, 2009 to advise the Commission on matters of concern to investors in the securities markets, provide the Commission with investors' perspectives on current, non-enforcement, regulatory issues and serve as a source of information and recommendations to the Commission regarding the Commission's regulatory programs from the point of view of investors. See Press

considering climate change disclosure issues as part of its overall mandate to provide advice and recommendations to the Commission, and the Commission is planning to hold a public roundtable on disclosure regarding climate change matters in the spring of 2010. We will consider our experience with the disclosure review program together with any advice or recommendations made to us by the Investor Advisory Committee and information gained through the planned roundtable as we determine whether further guidance or rulemaking relating to climate change disclosure is necessary or appropriate in the public interest or for the protection of investors.

VI. Codification Update

The "Codification of Financial Reporting Policies" announced in Financial Reporting Release No. 1 (April 15, 1982) [47 FR 21028] is updated by adding new Section 501.15, captioned "Climate change related disclosures," and under that caption including the text in Sections III and IV of this release.

The Codification is a separate publication of the Commission. It will not be published in the Federal Register/Code of Federal Regulations.

List of Subjects

17 CFR Part 211

Reporting and recordkeeping requirements, Securities.

17 CFR Parts 231 and 241

Securities.

Release No. 2009-126, "SEC Announces Creation of Investor Advisory Committee," available at http://www.sec.gov/news/press/2009/2009-126.htm.

Amendments to the Code of Federal Regulations

For the reasons set forth above, the Commission is amending Title 17, Chapter II of the Code of Federal Regulations as set forth below:

PART 211 -- INTERPRETATIONS RELATING TO FINANCIAL REPORTING MATTERS

1. Part 211, Subpart A, is amended by adding Release No. FR-82 and the release date of February 2, 2010 to the list of interpretive releases.

PART 231 -- INTERPRETATIVE RELEASES RELATING TO THE SECURITIES ACT OF 1933 AND GENERAL RULES AND REGULATIONS THEREUNDER

2. Part 231 is amended by adding Release No. 33-9106 and the release date of February 2, 2010 to the list of interpretive releases.

PART 241 -- INTERPRETATIVE RELEASES RELATING TO THE SECURITIES EXCHANGE ACT OF 1934 AND GENERAL RULES AND REGULATIONS THEREUNDER

3. Part 241 is amended by adding Release No. 34-61469 and the release date of February 2, 2010 to the list of interpretive releases.

By the Commission

Elizabeth M. Murphy
Secretary

Dated: February 2, 2010

Exhibit L

Sample Letter to Companies Regarding Climate Change Disclosures[1]

The Commission has stated that a number of its disclosure rules may require disclosure related to climate change. [2] For example and depending on the particular facts and circumstances, information related to climate change-related risks and opportunities may be required in disclosures related to a company's description of business, legal proceedings, risk factors, and management's discussion and analysis of financial condition and results of operations. Disclosure matters discussed in the 2010 Climate Change Guidance include the following:

- the impact of pending or existing climate-change related legislation, regulations, and international accords;
- the indirect consequences of regulation or business trends; and
- the physical impacts of climate change.

Companies also must disclose, in addition to the information expressly required by Commission regulation, "such further material information, if any, as may be necessary to make the required statements, in light of the circumstances under which they are made, not misleading."[3]

The Division of Corporation Finance selectively reviews filings made under the Securities Act and the Exchange Act to monitor and enhance compliance with applicable disclosure requirements. The following illustrative letter contains sample comments that the Division may issue to companies regarding their climate-related disclosure or the absence of such disclosure. The sample comments do not constitute an exhaustive list of the issues that companies should consider. Any comments issued would be appropriately tailored to the specific company and industry, and would take into consideration the disclosure that a company has provided in Commission filings.

September 2021

Name
ABC Corporation
Address

Dear Issuer:

We have reviewed your filing and have the following comments regarding compliance with the topics addressed in the Commission's 2010 Guidance Regarding Disclosure Related to Climate Change, Release No. 33-9106 (Feb. 2, 2010). In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. Please respond to these comments by providing the requested information and/or revising or updating your disclosure as applicable. If you do not believe our comments apply to your facts and circumstances, please tell us why in your response.

<u>General</u>

1. We note that you provided more expansive disclosure in your corporate social responsibility report (CSR report) than you provided in your SEC filings. Please advise us what consideration you gave to providing the same type of climate-related disclosure in yo filings as you provided in your CSR report.

Return to Top

Risk Factors

2. Disclose the material effects of transition risks related to climate change that may affect your business, financial condition, and results of operations, such as policy and regulatory changes that could impose operational and compliance burdens, market trends that may alter business opportunities, credit risks, or technological changes.
3. Disclose any material litigation risks related to climate change and explain the potential impact to the company.

Management's Discussion and Analysis of Financial Condition and Results of Operations

4. There have been significant developments in federal and state legislation and regulation and international accords regarding climate change that you have not discussed in your filing. Please revise your disclosure to identify material pending or existing climate change-related legislation, regulations, and international accords and describe any material effect on your business, financial condition, and results of operations.
5. Revise your disclosure to identify any material past and/or future capital expenditures for climate-related projects. If material, please quantify these expenditures.
6. To the extent material, discuss the indirect consequences of climate-related regulation or business trends, such as the following:
    - decreased demand for goods or services that produce significant greenhouse gas emissions or are related to carbon-based energy sources;
    - increased demand for goods that result in lower emissions than competing products;
    - increased competition to develop innovative new products that result in lower emissions;
    - increased demand for generation and transmission of energy from alternative energy sources; and
    - any anticipated reputational risks resulting from operations or products that produce material greenhouse gas emissions.
7. If material, discuss the physical effects of climate change on your operations and results. This disclosure may include the following:
    - severity of weather, such as floods, hurricanes, sea levels, arability of farmland, extreme fires, and water availability and quality;
    - quantification of material weather-related damages to your property or operations;
    - potential for indirect weather-related impacts that have affected or may affect your major customers or suppliers;
    - decreased agricultural production capacity in areas affected by drought or other weather-related changes; and
    - any weather-related impacts on the cost or availability of insurance.
8. Quantify any material increased compliance costs related to climate change.
9. If material, provide disclosure about your purchase or sale of carbon credits or offsets and any material effects on your business, financial condition, and results of operations.

We remind you that the company and its management are responsible for the accuracy and adequacy of their disclosures, notwithstanding any review, comments, action or absence of action by the staff.

Sincerely,

Division of Corporation Finance

Return to Top

---

[1] The statements in this guidance represent the views of the staff of the Division of Corporation Finance. This guidance is not a rule, regulation, or statement of the Securities and Exchange Commission ("Commission"). The Commission has neither approved nor disapproved its content. This guidance, like all staff guidance, has no legal force or effect: it does not alter or amend applicable law, and it creates no new or additional obligations for any person.

[2] Commission Guidance Regarding Disclosure Related to Climate Change, Release No. 33-9106 (Feb. 2, 2010) [75 FR 6290] (Feb. 8, 2010) ("2010 Climate Change Guidance").

[3] Rule 408 under the Securities Act of 1933 ("Securities Act") and Rule 12b-20 under the Securities Exchange Act of 1934 ("Exchange Act").

Modified: Sept. 22, 2021

Return to Top

Exhibit M

About

The climate challenge   Our goal   Our work   Task Force members   History

The challenge we're addressing

Climate change poses both risks and opportunities for business, now and in the future. As the Earth's temperature rises, increasingly common natural disasters are disrupting ecosystems and human health, causing unanticipated business losses, and threatening assets and infrastructure. In response, governments and private sector entities are considering a range of options for reducing global emissions, which could result in disruptive changes across economic sectors and regions in the near term.

Currently, however, investors, lenders, and insurers don't have a clear view of which companies will endure or even flourish as the environment changes, regulations evolve, new technologies emerge, and customer behavior shifts — and which companies are likely to struggle.

Without reliable climate-related financial information, financial markets cannot price climate-related risks and opportunities correctly and may potentially face a rocky transition to a low-carbon economy, with sudden value shifts and destabilizing costs if industries must rapidly adjust to the new landscape.

Our goal

The Financial Stability Board established the TCFD to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit, and insurance underwriting decisions and, in turn, enable stakeholders to understand better the concentrations of carbon-related assets in the financial sector and the financial system's exposures to climate-related risks.

The TCFD is committed to market transparency and stability. We believe that better information will allow companies to incorporate climate-related risks and opportunities into their risk management and strategic planning processes. As this occurs, companies' and investors' understanding of the financial implications associated with climate change will grow, empowering the markets to channel investment to sustainable and resilient solutions, opportunities, and business models.

Our work

In 2017, the TCFD released climate-related financial disclosure recommendations designed to help companies provide better information to support informed capital allocation.

Our disclosure recommendations are structured around four thematic areas that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets. These thematic areas are intended to interlink and inform each other.

We're currently engaged in helping companies implement the recommendations and promoting advancements in the availability and quality of climate-related disclosure.

Read an overview of the TCFD and our work

The TCFD's latest status report

View the TCFD recommendations


Governance
Strategy
Risk Management
Metrics and Targets

Contact us

Become a supporter

General inquiries

Press and media

Join the mailing list

Follow us

LinkedIn

Twitter

Exhibit N

Final Report

Recommendations of the Task Force on Climate-related Financial Disclosures

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

June 2017

June 15, 2017

Mr. Mark Carney
Chairman
Financial Stability Board
Bank for International Settlements
Centralbahnplatz 2
CH-4002 Basel
Switzerland

Dear Chairman Carney,

On behalf of the Task Force on Climate-related Financial Disclosures, I am pleased to present this final report setting out our recommendations for helping businesses disclose climate-related financial information.

As you know, warming of the planet caused by greenhouse gas emissions poses serious risks to the global economy and will have an impact across many economic sectors. It is difficult for investors to know which companies are most at risk from climate change, which are best prepared, and which are taking action.

The Task Force's report establishes recommendations for disclosing clear, comparable and consistent information about the risks and opportunities presented by climate change. Their widespread adoption will ensure that the effects of climate change become routinely considered in business and investment decisions. Adoption of these recommendations will also help companies better demonstrate responsibility and foresight in their consideration of climate issues. That will lead to smarter, more efficient allocation of capital, and help smooth the transition to a more sustainable, low-carbon economy.

The industry Task Force spent 18 months consulting with a wide range of business and financial leaders to hone its recommendations and consider how to help companies better communicate key climate-related information. The feedback we received in response to the Task Force's draft report confirmed broad support from industry and others, and involved productive dialogue among companies and banks, insurers, and investors. This was and remains a collaborative process, and as these recommendations are implemented, we hope that this dialogue and feedback continues.

Since the Task Force began its work, we have also seen a significant increase in demand from investors for improved climate-related financial disclosures. This comes amid unprecedented support among companies for action to tackle climate change.

I want to thank the Financial Stability Board for its leadership in promoting better disclosure of climate-related financial risks, and for its support of the Task Force's work. I am also grateful to the Task Force members and Secretariat for their extensive contributions and dedication to this effort.

The risk climate change poses to businesses and financial markets is real and already present. It is more important than ever that businesses lead in understanding and responding to these risks—and seizing the opportunities—to build a stronger, more resilient, and sustainable global economy.

Sincerely,

Michael R. Bloomberg

Executive Summary

Financial Markets and Transparency

One of the essential functions of financial markets is to price risk to support informed, efficient capital-allocation decisions. Accurate and timely disclosure of current and past operating and financial results is fundamental to this function, but it is increasingly important to understand the governance and risk management context in which financial results are achieved. The financial crisis of 2007-2008 was an important reminder of the repercussions that weak corporate governance and risk management practices can have on asset values. This has resulted in increased demand for transparency from organizations on their governance structures, strategies, and risk management practices. Without the right information, investors and others may incorrectly price or value assets, leading to a misallocation of capital.

> Increasing transparency makes markets more efficient and economies more stable and resilient.
> —Michael R. Bloomberg

Financial Implications of Climate Change

One of the most significant, and perhaps most misunderstood, risks that organizations face today relates to climate change. While it is widely recognized that continued emission of greenhouse gases will cause further warming of the planet and this warming could lead to damaging economic and social consequences, the exact timing and severity of physical effects are difficult to estimate. The large-scale and long-term nature of the problem makes it uniquely challenging, especially in the context of economic decision making. Accordingly, many organizations incorrectly perceive the implications of climate change to be long term and, therefore, not necessarily relevant to decisions made today.

The potential impacts of climate change on organizations, however, are not only physical and do not manifest only in the long term. To stem the disastrous effects of climate change within this century, nearly 200 countries agreed in December 2015 to reduce greenhouse gas emissions and accelerate the transition to a lower-carbon economy. The reduction in greenhouse gas emissions implies movement away from fossil fuel energy and related physical assets. This coupled with rapidly declining costs and increased deployment of clean and energy-efficient technologies could have significant, near-term financial implications for organizations dependent on extracting, producing, and using coal, oil, and natural gas. While such organizations may face significant climate-related risks, they are not alone. In fact, climate-related risks and the expected transition to a lower-carbon economy affect most economic sectors and industries. While changes associated with a transition to a lower-carbon economy present significant risk, they also create significant opportunities for organizations focused on climate change mitigation and adaptation solutions.

For many investors, climate change poses significant financial challenges and opportunities, now and in the future. The expected transition to a lower-carbon economy is estimated to require around $1 trillion of investments a year for the foreseeable future, generating new investment opportunities.[1] At the same time, the risk-return profile of organizations exposed to climate-related risks may change significantly as such organizations may be more affected by physical impacts of climate change, climate policy, and new technologies. In fact, a 2015 study estimated the value at risk, as a result of climate change, to the total global stock of manageable assets as

[1] International Energy Agency, *World Energy Outlook Special Briefing for COP21*, 2015.

ranging from $4.2 trillion to $43 trillion between now and the end of the century.[2] The study highlights that "much of the impact on future assets will come through weaker growth and lower asset returns across the board." This suggests investors may not be able to avoid climate-related risks by moving out of certain asset classes as a wide range of asset types could be affected. Both investors and the organizations in which they invest, therefore, should consider their longer-term strategies and most efficient allocation of capital. Organizations that invest in activities that may not be viable in the longer term may be less resilient to the transition to a lower-carbon economy; and their investors will likely experience lower returns. Compounding the effect on longer-term returns is the risk that present valuations do not adequately factor in climate-related risks because of insufficient information. As such, long-term investors need adequate information on how organizations are preparing for a lower-carbon economy.

Furthermore, because the transition to a lower-carbon economy requires significant and, in some cases, disruptive changes across economic sectors and industries in the near term, financial policymakers are interested in the implications for the global financial system, especially in terms of avoiding financial dislocations and sudden losses in asset values. Given such concerns and the potential impact on financial intermediaries and investors, the G20 Finance Ministers and Central Bank Governors asked the Financial Stability Board to review how the financial sector can take account of climate-related issues. As part of its review, the Financial Stability Board identified the need for better information to support informed investment, lending, and insurance underwriting decisions and improve understanding and analysis of climate-related risks and opportunities. Better information will also help investors engage with companies on the resilience of their strategies and capital spending, which should help promote a smooth rather than an abrupt transition to a lower-carbon economy.

Task Force on Climate-related Financial Disclosures

To help identify the information needed by investors, lenders, and insurance underwriters to appropriately assess and price climate-related risks and opportunities, the Financial Stability Board established an industry-led task force: the Task Force on Climate-related Financial Disclosures (Task Force). The Task Force was asked to develop voluntary, consistent climate-related financial disclosures that would be useful to investors, lenders, and insurance underwriters in understanding material risks. The 32-member Task Force is global; its members were selected by the Financial Stability Board and come from various organizations, including large banks, insurance companies, asset managers, pension funds, large non-financial companies, accounting and consulting firms, and credit rating agencies. In its work, the Task Force drew on member expertise, stakeholder engagement, and existing climate-related disclosure regimes to develop a singular, accessible framework for climate-related financial disclosure.

The Task Force developed four widely adoptable recommendations on climate-related financial disclosures that are applicable to organizations across sectors and jurisdictions (Figure 1). Importantly, the Task Force's recommendations apply to financial-sector organizations, including banks, insurance companies, asset managers, and asset owners. Large asset owners and asset managers sit at the top of the investment chain and, therefore, have an

Figure 1

Key Features of Recommendations

- Adoptable by all organizations
- Included in financial filings
- Designed to solicit decision-useful, forward-looking information on financial impacts
- Strong focus on risks and opportunities related to transition to lower-carbon economy

[2] The Economist Intelligence Unit, "The Cost of Inaction: Recognising the Value at Risk from Climate Change," 2015. Value at risk measures the loss a portfolio may experience, within a given time horizon, at a particular probability, and the stock of manageable assets is defined as the total stock of assets held by non-bank financial institutions. Bank assets were excluded as they are largely managed by banks themselves.

important role to play in influencing the organizations in which they invest to provide better climate-related financial disclosures.

In developing and finalizing its recommendations, the Task Force solicited input throughout the process.[3] First, in April 2016, the Task Force sought public comment on the scope and high-level objectives of its work. As the Task Force developed its disclosure recommendations, it continued to solicit feedback through hundreds of industry interviews, meetings, and other touchpoints. Then, in December 2016, the Task Force issued its draft recommendations and sought public comment on the recommendations as well as certain key issues, receiving over 300 responses. This final report reflects the Task Force's consideration of industry and other public feedback received throughout 2016 and 2017. Section E contains a summary of key issues raised by the industry as well as substantive changes to the report since December.

Disclosure in Mainstream Financial Filings

The Task Force recommends that preparers of climate-related financial disclosures provide such disclosures in their mainstream (i.e., public) annual financial filings. In most G20 jurisdictions, companies with public debt or equity have a legal obligation to disclose material information in their financial filings—including material climate-related information. The Task Force believes climate-related issues are or could be material for many organizations, and its recommendations should be useful to organizations in complying more effectively with existing disclosure obligations.[4] In addition, disclosure in mainstream financial filings should foster shareholder engagement and broader use of climate-related financial disclosures, thus promoting a more informed understanding of climate-related risks and opportunities by investors and others. The Task Force also believes that publication of climate-related financial information in mainstream annual financial filings will help ensure that appropriate controls govern the production and disclosure of the required information. More specifically, the Task Force expects the governance processes for these disclosures would be similar to those used for existing public financial disclosures and would likely involve review by the chief financial officer and audit committee, as appropriate.

Importantly, organizations should make financial disclosures in accordance with their national disclosure requirements. If certain elements of the recommendations are incompatible with national disclosure requirements for financial filings, the Task Force encourages organizations to disclose those elements in other official company reports that are issued at least annually, widely distributed and available to investors and others, and subject to internal governance processes that are the same or substantially similar to those used for financial reporting.

Core Elements of Climate-Related Financial Disclosures

The Task Force structured its recommendations around four thematic areas that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets (Figure 2, p. v). The four overarching recommendations are supported by recommended disclosures that build out the framework with information that will help investors and others understand how reporting organizations assess climate-related risks and opportunities.[5] In addition, there is guidance to support all organizations in developing climate-related financial disclosures consistent with the recommendations and recommended disclosures. The guidance assists preparers by providing context and suggestions for implementing the recommended disclosures. For the financial sector and certain non-financial sectors, *supplemental* guidance was developed to highlight important sector-specific considerations and provide a fuller picture of potential climate-related financial impacts in those sectors.

[3] See Appendix 2: Task Force Objectives and Approach for more information.

[4] The Task Force encourages organizations where climate-related issues could be material in the future to begin disclosing climate-related financial information outside financial filings to facilitate the incorporation of such information into financial filings once climate-related issues are determined to be material.

[5] See Figure 4 on p. 14 for the Task Force's recommendations and recommended disclosures.

Figure 2

Core Elements of Recommended Climate-Related Financial Disclosures

Governance
The organization's governance around climate-related risks and opportunities

Strategy
The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

Risk Management
The processes used by the organization to identify, assess, and manage climate-related risks

Metrics and Targets
The metrics and targets used to assess and manage relevant climate-related risks and opportunities

Climate-Related Scenarios

One of the Task Force's key recommended disclosures focuses on the resilience of an organization's strategy, taking into consideration different climate-related scenarios, including a 2° Celsius or lower scenario.[6] An organization's disclosure of how its strategies might change to address potential climate-related risks and opportunities is a key step to better understanding the potential implications of climate change on the organization. The Task Force recognizes the use of scenarios in assessing climate-related issues and their potential financial implications is relatively recent and practices will evolve over time, but believes such analysis is important for improving the disclosure of decision-useful, climate-related financial information.

Conclusion

Recognizing that climate-related financial reporting is still evolving, the Task Force's recommendations provide a foundation to improve investors' and others' ability to appropriately assess and price climate-related risk and opportunities. The Task Force's recommendations aim to be ambitious, but also practical for near-term adoption. The Task Force expects to advance the quality of mainstream financial disclosures related to the potential effects of climate change on organizations today and in the future and to increase investor engagement with boards and senior management on climate-related issues.

Improving the quality of climate-related financial disclosures begins with organizations' willingness to adopt the Task Force's recommendations. Organizations already reporting climate-related information under other frameworks may be able to disclose under this framework immediately and are strongly encouraged to do so. Those organizations in early stages of evaluating the impact of climate change on their businesses and strategies can begin by disclosing climate-related issues as they relate to governance, strategy, and risk management practices. The Task Force recognizes the challenges associated with measuring the impact of climate change, but believes that by moving climate-related issues into mainstream annual financial filings, practices and techniques will evolve more rapidly. Improved practices and techniques, including data analytics, should further improve the quality of climate-related financial disclosures and, ultimately, support more appropriate pricing of risks and allocation of capital in the global economy.

[6] A 2° Celsius (2°C) scenario lays out an energy system deployment pathway and an emissions trajectory consistent with limiting the global average temperature increase to 2°C above the pre-industrial average. The Task Force is not recommending organizations use a specific 2°C scenario.

Contents

A Introduction

A Introduction

1. Background

It is widely recognized that continued emission of greenhouse gases will cause further warming of the Earth and that warming above 2° Celsius (2°C), relative to the pre-industrial period, could lead to catastrophic economic and social consequences.[7] As evidence of the growing recognition of the risks posed by climate change, in December 2015, nearly 200 governments agreed to strengthen the global response to the threat of climate change by "holding the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels," referred to as the Paris Agreement.[8] The large-scale and long-term nature of the problem makes it uniquely challenging, especially in the context of economic decision making. Moreover, the current understanding of the potential financial risks posed by climate change—to companies, investors, and the financial system as a whole—is still at an early stage.

There is a growing demand for decision-useful, climate-related information by a range of participants in the financial markets.[9] Creditors and investors are increasingly demanding access to risk information that is consistent, comparable, reliable, and clear. There has also been increased focus, especially since the financial crisis of 2007-2008, on the negative impact that weak corporate governance can have on shareholder value, resulting in increased demand for transparency from organizations on their risks and risk management practices, including those related to climate change.

The growing demand for decision-useful, climate-related information has resulted in the development of several climate-related disclosure standards. Many of the existing standards, however, focus on disclosure of climate-related information, such as greenhouse gas (GHG) emissions and other sustainability metrics. Users of such climate-related disclosures commonly cite the lack of information on the financial implications around the climate-related aspects of an organization's business as a key gap. Users also cite inconsistencies in disclosure practices, a lack of context for information, use of boilerplate, and non-comparable reporting as major obstacles to incorporating climate-related risks and opportunities (collectively referred to as climate-related issues) as considerations in their investment, lending, and insurance underwriting decisions over the medium and long term.[10] In addition, evidence suggests that the lack of consistent information hinders investors and others from considering climate-related issues in their asset valuation and allocation processes.[11]

In general, inadequate information about risks can lead to a mispricing of assets and misallocation of capital and can potentially give rise to concerns about financial stability since markets can be vulnerable to abrupt corrections.[12] Recognizing these concerns, the G20 (Group of 20) Finance Ministers and Central Bank Governors requested that the Financial Stability Board (FSB) "convene public- and private-sector participants to review how the financial sector can take account of climate-related issues."[13] In response to the G20's request, the FSB held a meeting of public- and private-sector representatives in September 2015 to consider the implications of climate-related issues for the financial sector. "Participants exchanged views on the existing work of the financial sector, authorities, and standard setters in this area and the challenges they face,

[7] Intergovernmental Panel on Climate Change, *Fifth Assessment Report,* Cambridge University Press, 2014.
[8] United Nations Framework Convention on Climate Change, "The Paris Agreement," December 2015.
[9] Avery Fellow, "Investors Demand Climate Risk Disclosure," Bloomberg, February 2013.
[10] Sustainability Accounting Standards Board (SASB), *SASB Climate Risk Technical Bulletin#: TB001-10182016*, October 2016.
[11] Mercer LLC, *Investing in a Time of Climate Change,* 2015.
[12] Mark Carney, "Breaking the tragedy of the horizon—climate change and financial stability," September 29, 2015.
[13] "Communiqué from the G20 Finance Ministers and Central Bank Governors Meeting in Washington, D.C. April 16-17, 2015," April 2015.

areas for possible further work, and the possible roles the FSB and others could play in taking that work forward. The discussions continually returned to a common theme: the need for better information."[14]

In most G20 jurisdictions, companies with public debt or equity have a legal obligation to disclose material risks in their financial reports—including material climate-related risks. However, the absence of a standardized framework for disclosing climate-related financial risks makes it difficult for organizations to determine what information should be included in their filings and how it should be presented. Even when reporting similar climate-related information, disclosures are often difficult to compare due to variances in mandatory and voluntary frameworks. The resulting fragmentation in reporting practices and lack of focus on financial impacts have prevented investors, lenders, insurance underwriters, and other users of disclosures from accessing complete information that can inform their economic decisions. Furthermore, because financial-sector organizations' disclosures depend, in part, on those from the companies in which they invest or lend, regulators face challenges in using financial-sector organizations' existing disclosures to determine system-wide exposures to climate-related risks.

In response, the FSB established the industry-led Task Force on Climate-related Financial Disclosures (TCFD or Task Force) in December 2015 to design a set of recommendations for consistent "disclosures that will help financial market participants understand their climate-related risks."[15] See Box 1 (p. 3) for more information on the Task Force.

2. The Task Force's Remit

The FSB called on the Task Force to develop climate-related disclosures that "could promote more informed investment, credit [or lending], and insurance underwriting decisions" and, in turn, "would enable stakeholders to understand better the concentrations of carbon-related assets in the financial sector and the financial system's exposures to climate-related risks."[16,17] The FSB noted that disclosures by the financial sector in particular would "foster an early assessment of these risks" and "facilitate market discipline." Such disclosures would also "provide a source of data that can be analyzed at a systemic level, to facilitate authorities' assessments of the materiality of any risks posed by climate change to the financial sector, and the channels through which this is most likely to be transmitted."[18]

The FSB also emphasized that "any disclosure recommendations by the Task Force would be voluntary, would need to incorporate the principle of materiality and would need to weigh the balance of costs and benefits."[19] As a result, in devising a principle-based framework for voluntary disclosure, the Task Force sought to balance the needs of the users of disclosures with the challenges faced by the preparers. The FSB further stated that the Task Force's climate-related financial disclosure recommendations should not "add to the already well developed body of existing disclosure schemes."[20] In response, the Task Force drew from existing disclosure frameworks where possible and appropriate.

The FSB also noted the Task Force should determine whether the target audience of users of climate-related financial disclosures should extend beyond investors, lenders, and insurance underwriters. Investors, lenders, and insurance underwriters ("primary users") are the appropriate target audience. These primary users assume the financial risk and reward of the

[14] FSB, "FSB to establish Task Force on Climate-related Financial Disclosures," December 4, 2015.
[15] Ibid.
[16] FSB, "Proposal for a Disclosure Task Force on Climate-Related Risks," November 9, 2015.
[17] The term carbon-related assets is not well defined, but is generally considered to refer to assets or organizations with relatively high direct or indirect GHG emissions. The Task Force believes further work is needed on defining carbon-related assets and potential financial impacts.
[18] FSB, "Proposal for a Disclosure Task Force on Climate-Related Risks," November 9, 2015.
[19] Ibid.
[20] Ibid.

decisions they make. The Task Force recognizes that many other organizations, including credit rating agencies, equity analysts, stock exchanges, investment consultants, and proxy advisors also use climate-related financial disclosures, allowing them to push information through the credit and investment chain and contribute to the better pricing of risks by investors, lenders, and insurance underwriters. These organizations, in principle, depend on the same types of information as primary users.

This report presents the Task Force's recommendations for climate-related financial disclosures and includes supporting information on climate-related risks and opportunities, scenario analysis, and industry feedback that the Task Force considered in developing and then finalizing its recommendations. In addition, the Task Force developed a "stand-alone" document—Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (Annex)—for organizations to use when preparing disclosures consistent with the recommendations. The Annex provides supplemental guidance for the financial sector as well as for non-financial groups potentially most affected by climate change and the transition to a lower-carbon economy. The supplemental guidance assists preparers by providing additional context and suggestions for implementing the recommended disclosures.

The Task Force's recommendations provide a foundation for climate-related financial disclosures and aim to be ambitious, but also practical for near-term adoption. The Task Force expects that reporting of climate-related risks and opportunities will evolve over time as organizations, investors, and others contribute to the quality and consistency of the information disclosed.

Box 1

Task Force on Climate-related Financial Disclosures

The Task Force membership, first announced on January 21, 2016, has international representation and spans various types of organizations, including banks, insurance companies, asset managers, pension funds, large non-financial companies, accounting and consulting firms, and credit rating agencies—a unique collaborative partnership between the users and preparers of financial reports.

In its work, the Task Force drew on its members' expertise, stakeholder engagement, and existing climate-related disclosure regimes to develop a singular, accessible framework for climate-related financial disclosure. See Appendix 1 for a list of the Task Force members and Appendix 2 for more information on the Task Force's approach.

The Task Force is comprised of 32 global members representing a broad range of economic sectors and financial markets and a careful balance of users and preparers of climate-related financial disclosures.

B Climate-Related Risks, Opportunities, and Financial Impacts

B Climate-Related Risks, Opportunities, and Financial Impacts

Through its work, the Task Force identified a growing demand by investors, lenders, insurance underwriters, and other stakeholders for decision-useful, climate-related financial information. Improved disclosure of climate-related risks and opportunities will provide investors, lenders, insurance underwriters, and other stakeholders with the metrics and information needed to undertake robust and consistent analyses of the potential financial impacts of climate change.

The Task Force found that while several climate-related disclosure frameworks have emerged across different jurisdictions in an effort to meet the growing demand for such information, there is a need for a standardized framework to promote alignment across existing regimes and G20 jurisdictions and to provide a common framework for climate-related financial disclosures. An important element of such a framework is the consistent categorization of climate-related risks and opportunities. As a result, the Task Force defined categories for climate-related risks and climate-related opportunities. The Task Force's recommendations serve to encourage organizations to evaluate and disclose, as part of their annual financial filing preparation and reporting processes, the climate-related risks and opportunities that are most pertinent to their business activities. The main climate-related risks and opportunities that organizations should consider are described below and in Tables 1 and 2 (pp. 10-11).

1. Climate-Related Risks

The Task Force divided climate-related risks into two major categories: (1) risks related to the *transition* to a lower-carbon economy and (2) risks related to the *physical* impacts of climate change.

a. Transition Risks

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organizations.

Policy and Legal Risks

Policy actions around climate change continue to evolve. Their objectives generally fall into two categories—policy actions that attempt to constrain actions that contribute to the adverse effects of climate change or policy actions that seek to promote adaptation to climate change. Some examples include implementing carbon-pricing mechanisms to reduce GHG emissions, shifting energy use toward lower emission sources, adopting energy-efficiency solutions, encouraging greater water efficiency measures, and promoting more sustainable land-use practices. The risk associated with and financial impact of policy changes depend on the nature and timing of the policy change.[21]

Another important risk is litigation or legal risk. Recent years have seen an increase in climate-related litigation claims being brought before the courts by property owners, municipalities, states, insurers, shareholders, and public interest organizations.[22] Reasons for such litigation include the failure of organizations to mitigate impacts of climate change, failure to adapt to climate change, and the insufficiency of disclosure around material financial risks. As the value of loss and damage arising from climate change grows, litigation risk is also likely to increase.

[21] Organizations should assess not only the potential direct effects of policy actions on their operations, but also the potential second and third order effects on their supply and distribution chains.

[22] Peter Seley, "Emerging Trends in Climate Change Litigation," *Law 360,* March 7, 2016.

Technology Risk

Technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system can have a significant impact on organizations. For example, the development and use of emerging technologies such as renewable energy, battery storage, energy efficiency, and carbon capture and storage will affect the competitiveness of certain organizations, their production and distribution costs, and ultimately the demand for their products and services from end users. To the extent that new technology displaces old systems and disrupts some parts of the existing economic system, winners and losers will emerge from this "creative destruction" process. The timing of technology development and deployment, however, is a key uncertainty in assessing technology risk.

Market Risk

While the ways in which markets could be affected by climate change are varied and complex, one of the major ways is through shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly taken into account.

Reputation Risk

Climate change has been identified as a potential source of reputational risk tied to changing customer or community perceptions of an organization's contribution to or detraction from the transition to a lower-carbon economy.

b. Physical Risks

Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications for organizations, such as direct damage to assets and indirect impacts from supply chain disruption. Organizations' financial performance may also be affected by changes in water availability, sourcing, and quality; food security; and extreme temperature changes affecting organizations' premises, operations, supply chain, transport needs, and employee safety.

Acute Risk

Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods.

Chronic Risk

Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves.

2. Climate-Related Opportunities

Efforts to mitigate and adapt to climate change also produce opportunities for organizations, for example, through resource efficiency and cost savings, the adoption of low-emission energy sources, the development of new products and services, access to new markets, and building resilience along the supply chain. Climate-related opportunities will vary depending on the region, market, and industry in which an organization operates. The Task Force identified several areas of opportunity as described below.

a. Resource Efficiency

There is growing evidence and examples of organizations that have successfully reduced operating costs by improving efficiency across their production and distribution processes, buildings, machinery/appliances, and transport/mobility—in particular in relation to energy efficiency but also including broader materials, water, and waste management.[23] Such actions can

[23] UNEP and Copenhagen Centre for Energy Efficiency, *Best Practices and Case Studies for Industrial Energy Efficiency Improvement*, February 16, 2016.

result in direct cost savings to organizations' operations over the medium to long term and contribute to the global efforts to curb emissions.[24] Innovation in technology is assisting this transition; such innovation includes developing efficient heating solutions and circular economy solutions, making advances in LED lighting technology and industrial motor technology, retrofitting buildings, employing geothermal power, offering water usage and treatment solutions, and developing electric vehicles.[25]

b. Energy Source

According to the International Energy Agency (IEA), to meet global emission-reduction goals, countries will need to transition a major percentage of their energy generation to low emission alternatives such as wind, solar, wave, tidal, hydro, geothermal, nuclear, biofuels, and carbon capture and storage.[26] For the fifth year in a row, investments in renewable energy capacity have exceeded investments in fossil fuel generation.[27] The trend toward decentralized clean energy sources, rapidly declining costs, improved storage capabilities, and subsequent global adoption of these technologies are significant. Organizations that shift their energy usage toward low emission energy sources could potentially save on annual energy costs.[28]

c. Products and Services

Organizations that innovate and develop new low-emission products and services may improve their competitive position and capitalize on shifting consumer and producer preferences. Some examples include consumer goods and services that place greater emphasis on a product's carbon footprint in its marketing and labeling (e.g., travel, food, beverage and consumer staples, mobility, printing, fashion, and recycling services) and producer goods that place emphasis on reducing emissions (e.g., adoption of energy-efficiency measures along the supply chain).

d. Markets

Organizations that pro-actively seek opportunities in new markets or types of assets may be able to diversify their activities and better position themselves for the transition to a lower-carbon economy. In particular, opportunities exist for organizations to access new markets through collaborating with governments, development banks, small-scale local entrepreneurs, and community groups in developed and developing countries as they work to shift to a lower-carbon economy.[29] New opportunities can also be captured through underwriting or financing green bonds and infrastructure (e.g., low-emission energy production, energy efficiency, grid connectivity, or transport networks).

e. Resilience

The concept of climate resilience involves organizations developing adaptive capacity to respond to climate change to better manage the associated risks and seize opportunities, including the ability to respond to transition risks and physical risks. Opportunities include improving efficiency, designing new production processes, and developing new products. Opportunities related to resilience may be especially relevant for organizations with long-lived fixed assets or extensive supply or distribution networks; those that depend critically on utility and infrastructure networks or natural resources in their value chain; and those that may require longer-term financing and investment.

[24] Environmental Protection Agency Victoria (EPA Victoria), "Resource Efficiency Case Studies: Lower your Impact."

[25] As described by Pearce and Turner, circular economy refers to a system in which resource input and waste, emission, and energy leakage are minimized. This can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, and recycling. This is in contrast to a linear economy which is a "take, make, dispose" model of production.

[26] IEA, "Global energy investment down 8% in 2015 with flows signaling move towards cleaner energy," September 14, 2016.

[27] Frankfurt School-United Nations Environmental Programme Centre and Bloomberg New Energy Finance, "Global Trends in Renewable Energy Investment 2017," 2017.

[28] Ceres, "Power Forward 3.0: How the largest US companies are capturing business value while addressing climate change," 2017.

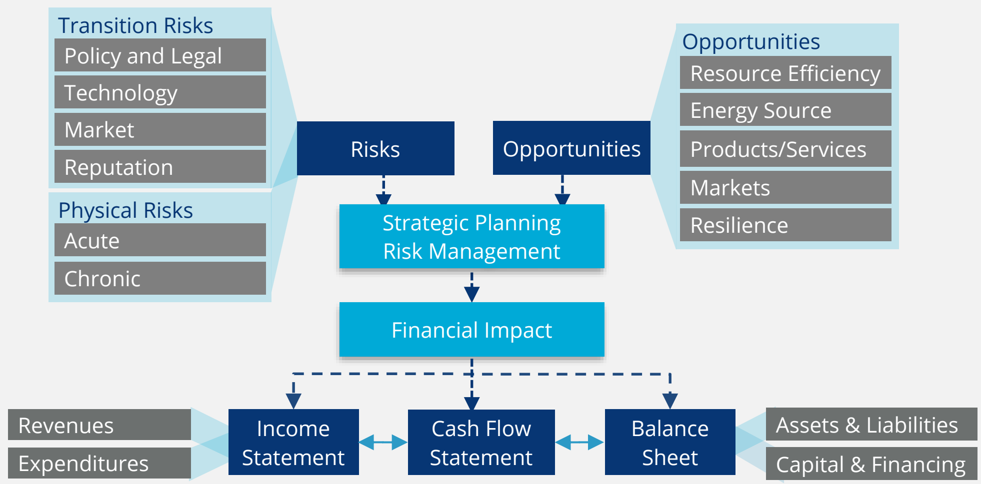
[29] G20 Green Finance Study Group. *G20 Green Finance Synthesis Report*. 2016. The proposal to launch the Green Finance Study Group was adopted by the G20 Finance Ministers and Central Bank Deputies in December 2015.

3. Financial Impacts

Better disclosure of the financial impacts of climate-related risks and opportunities on an organization is a key goal of the Task Force's work. In order to make more informed financial decisions, investors, lenders, and insurance underwriters need to understand how climate-related risks and opportunities are likely to impact an organization's future financial position as reflected in its income statement, cash flow statement, and balance sheet as outlined in Figure 1. While climate change affects nearly all economic sectors, the level and type of exposure and the impact of climate-related risks differs by sector, industry, geography, and organization.[30]

Figure 1

Climate-Related Risks, Opportunities, and Financial Impact



Fundamentally, the financial impacts of climate-related issues on an organization are driven by the specific climate-related risks and opportunities to which the organization is exposed and its strategic and risk management decisions on managing those risks (i.e., mitigate, transfer, accept, or control) and seizing those opportunities. The Task Force has identified four major categories, described in Figure 2 (p. 9), through which climate-related risks and opportunities may affect an organization's current and future financial positions.

The financial impacts of climate-related issues on organizations are not always clear or direct, and, for many organizations, identifying the issues, assessing potential impacts, and ensuring material issues are reflected in financial filings may be challenging. Key reasons for this are likely because of (1) limited knowledge of climate-related issues within organizations; (2) the tendency to focus mainly on near-term risks without paying adequate attention to risks that may arise in the longer term; and (3) the difficulty in quantifying the financial effects of climate-related issues.[31] To assist organizations in identifying climate-related issues and their impacts, the Task Force developed Table 1 (p. 10), which provides examples of climate-related risks and their potential financial impacts, and Table 2 (p. 11), which provides examples of climate-related opportunities and their potential financial impacts. In addition, Section A.4 in the Annex provides more information on the major categories of financial impacts—revenues, expenditures, assets and liabilities, and capital and financing—that are likely to be most relevant for specific industries.

[30] SASB research demonstrates that 72 out of 79 Sustainable Industry Classification System (SICS™) industries are significantly affected in some way by climate-related risk.

[31] World Business Council for Sustainable Development, "Sustainability and enterprise risk management: The first step towards integration." January 18, 2017.

Figure 2

Major Categories of Financial Impact

Income Statement	Balance Sheet
Revenues. Transition and physical risks may affect demand for products and services. Organizations should consider the potential impact on revenues and identify potential opportunities for enhancing or developing new revenues. In particular, given the emergence and likely growth of carbon pricing as a mechanism to regulate emissions, it is important for affected industries to consider the potential impacts of such pricing on business revenues. **Expenditures.** An organization's response to climate-related risks and opportunities may depend, in part, on the organization's cost structure. Lower-cost suppliers may be more resilient to changes in cost resulting from climate-related issues and more flexible in their ability to address such issues. By providing an indication of their cost structure and flexibility to adapt, organizations can better inform investors about their investment potential. It is also helpful for investors to understand capital expenditure plans and the level of debt or equity needed to fund these plans. The resilience of such plans should be considered bearing in mind organizations' flexibility to shift capital and the willingness of capital markets to fund organizations exposed to significant levels of climate-related risks. Transparency of these plans may provide greater access to capital markets or improved financing terms.	**Assets and Liabilities.** Supply and demand changes from changes in policies, technology, and market dynamics related to climate change could affect the valuation of organizations' assets and liabilities. Use of long-lived assets and, where relevant, reserves may be particularly affected by climate-related issues. It is important for organizations to provide an indication of the potential climate-related impact on their assets and liabilities, particularly long-lived assets. This should focus on existing and committed future activities and decisions requiring new investment, restructuring, write-downs, or impairment. **Capital and Financing.** Climate-related risks and opportunities may change the profile of an organization's debt and equity structure, either by increasing debt levels to compensate for reduced operating cash flows or for new capital expenditures or R&D. It may also affect the ability to raise new debt or refinance existing debt, or reduce the tenor of borrowing available to the organization. There could also be changes to capital and reserves from operating losses, asset write-downs, or the need to raise new equity to meet investment.

The Task Force encourages organizations to undertake both historical and forward-looking analyses when considering the potential financial impacts of climate change, with greater focus on forward-looking analyses as the efforts to mitigate and adapt to climate change are without historical precedent. This is one of the reasons the Task Force believes scenario analysis is important for organizations to consider incorporating into their strategic planning or risk management practices.

Table 1

Examples of Climate-Related Risks and Potential Financial Impacts

Type	Climate-Related Risks[32]	Potential Financial Impacts
Transition Risks	**Policy and Legal**	
	– Increased pricing of GHG emissions – Enhanced emissions-reporting obligations – Mandates on and regulation of existing products and services – Exposure to litigation	– Increased operating costs (e.g., higher compliance costs, increased insurance premiums) – Write-offs, asset impairment, and early retirement of existing assets due to policy changes – Increased costs and/or reduced demand for products and services resulting from fines and judgments
	Technology	
	– Substitution of existing products and services with lower emissions options – Unsuccessful investment in new technologies – Costs to transition to lower emissions technology	– Write-offs and early retirement of existing assets – Reduced demand for products and services – Research and development (R&D) expenditures in new and alternative technologies – Capital investments in technology development – Costs to adopt/deploy new practices and processes
	Market	
	– Changing customer behavior – Uncertainty in market signals – Increased cost of raw materials	– Reduced demand for goods and services due to shift in consumer preferences – Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatment) – Abrupt and unexpected shifts in energy costs – Change in revenue mix and sources, resulting in decreased revenues – Re-pricing of assets (e.g., fossil fuel reserves, land valuations, securities valuations)
	Reputation	
	– Shifts in consumer preferences – Stigmatization of sector – Increased stakeholder concern or negative stakeholder feedback	– Reduced revenue from decreased demand for goods/services – Reduced revenue from decreased production capacity (e.g., delayed planning approvals, supply chain interruptions) – Reduced revenue from negative impacts on workforce management and planning (e.g., employee attraction and retention) – Reduction in capital availability
Physical Risks	**Acute** – Increased severity of extreme weather events such as cyclones and floods **Chronic** – Changes in precipitation patterns and extreme variability in weather patterns – Rising mean temperatures – Rising sea levels	– Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions) – Reduced revenue and higher costs from negative impacts on workforce (e.g., health, safety, absenteeism) – Write-offs and early retirement of existing assets (e.g., damage to property and assets in "high-risk" locations) – Increased operating costs (e.g., inadequate water supply for hydroelectric plants or to cool nuclear and fossil fuel plants) – Increased capital costs (e.g., damage to facilities) – Reduced revenues from lower sales/output – Increased insurance premiums and potential for reduced availability of insurance on assets in "high-risk" locations

[32] The sub-category risks described under each major category are not mutually exclusive, and some overlap exists.

Table 2

Examples of Climate-Related Opportunities and Potential Financial Impacts

Type	Climate-Related Opportunities[33]	Potential Financial Impacts
Resource Efficiency	– Use of more efficient modes of transport – Use of more efficient production and distribution processes – Use of recycling – Move to more efficient buildings – Reduced water usage and consumption	– Reduced operating costs (e.g., through efficiency gains and cost reductions) – Increased production capacity, resulting in increased revenues – Increased value of fixed assets (e.g., highly rated energy-efficient buildings) – Benefits to workforce management and planning (e.g., improved health and safety, employee satisfaction) resulting in lower costs
Energy Source	– Use of lower-emission sources of energy – Use of supportive policy incentives – Use of new technologies – Participation in carbon market – Shift toward decentralized energy generation	– Reduced operational costs (e.g., through use of lowest cost abatement) – Reduced exposure to future fossil fuel price increases – Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon – Returns on investment in low-emission technology – Increased capital availability (e.g., as more investors favor lower-emissions producers) – Reputational benefits resulting in increased demand for goods/services
Products and Services	– Development and/or expansion of low emission goods and services – Development of climate adaptation and insurance risk solutions – Development of new products or services through R&D and innovation – Ability to diversify business activities – Shift in consumer preferences	– Increased revenue through demand for lower emissions products and services – Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services) – Better competitive position to reflect shifting consumer preferences, resulting in increased revenues
Markets	– Access to new markets – Use of public-sector incentives – Access to new assets and locations needing insurance coverage	– Increased revenues through access to new and emerging markets (e.g., partnerships with governments, development banks) – Increased diversification of financial assets (e.g., green bonds and infrastructure)
Resilience	– Participation in renewable energy programs and adoption of energy-efficiency measures – Resource substitutes/diversification	– Increased market valuation through resilience planning (e.g., infrastructure, land, buildings) – Increased reliability of supply chain and ability to operate under various conditions – Increased revenue through new products and services related to ensuring resiliency

[33] The opportunity categories are not mutually exclusive, and some overlap exists.

C Recommendations and Guidance

C Recommendations and Guidance

1. Overview of Recommendations and Guidance

To fulfill its remit, the Task Force developed four widely adoptable recommendations on climate-related financial disclosures applicable to organizations across sectors and jurisdictions. In developing its recommendations, the Task Force considered the challenges for preparers of disclosures as well as the benefits of such disclosures to investors, lenders, and insurance underwriters. To achieve this balance, the Task Force engaged in significant outreach and consultation with users and preparers of disclosures and drew upon existing climate-related disclosure regimes. The insights gained from the outreach and consultations directly informed the development of the recommendations.

The Task Force structured its recommendations around four thematic areas that represent core elements of how organizations operate—governance, strategy, risk management, and metrics and targets. The four overarching recommendations are supported by key climate-related financial disclosures—referred to as recommended disclosures—that build out the framework with information that will help investors and others understand how reporting organizations think about and assess climate-related risks and opportunities. In addition, there is guidance to support all organizations in developing climate-related financial disclosures consistent with the recommendations and recommended disclosures as well as *supplemental* guidance for specific sectors. The structure is depicted in Figure 3 below, and the Task Force's recommendations and supporting recommended disclosures are presented in Figure 4 (p. 14).

A
Introduction

B
Climate-Related Risks, Opportunities, and Financial Impacts

C
Recommendations and Guidance

D
Scenario Analysis and Climate-Related Issues

E
Key Issues Considered and Areas for Further Work

F
Conclusion

Appendices

Figure 3

Recommendations and Guidance

Recommendations
Four widely adoptable recommendations tied to: governance, strategy, risk management, and metrics and targets

Recommended Disclosures
Specific recommended disclosures organizations should include in their financial filings to provide decision-useful information

Guidance for All Sectors
Guidance providing context and suggestions for implementing the recommended disclosures for all organizations

Supplemental Guidance for Certain Sectors
Guidance that highlights important considerations for certain sectors and provides a fuller picture of potential climate-related financial impacts in those sectors

Supplemental guidance is provided for the financial sector and for non-financial sectors potentially most affected by climate change

The Task Force's supplemental guidance is included in the Annex and covers the financial sector as well as non-financial industries potentially most affected by climate change and the transition to a lower-carbon economy (referred to as non-financial groups). The supplemental guidance provides these preparers with additional context and suggestions for implementing the recommended disclosures and should be used in conjunction with the guidance for all sectors.

Figure 4

Recommendations and Supporting Recommended Disclosures

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organization's governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Recommended Disclosures	**Recommended Disclosures**	**Recommended Disclosures**	**Recommended Disclosures**
a) Describe the board's oversight of climate-related risks and opportunities.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	a) Describe the organization's processes for identifying and assessing climate-related risks.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
b) Describe management's role in assessing and managing climate-related risks and opportunities.	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	b) Describe the organization's processes for managing climate-related risks.	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Figure 5 provides a mapping of the recommendations (governance, strategy, risk management, and metrics and targets) and recommended disclosures (a, b, c) for which supplemental guidance was developed for the financial sector and non-financial groups.

- **Financial Sector.** The Task Force developed supplemental guidance for the financial sector, which it organized into four major industries largely based on activities performed. The four industries are banks (lending), insurance companies (underwriting), asset managers (asset management), and asset owners, which include public- and private-sector pension plans, endowments, and foundations (investing).[34] The Task Force believes that disclosures by the financial sector could foster an early assessment of climate-related risks and opportunities, improve pricing of climate-related risks, and lead to more informed capital allocation decisions.
- **Non-Financial Groups.** The Task Force developed supplemental guidance for non-financial industries that account for the largest proportion of GHG emissions, energy usage, and water usage. These industries were organized into four groups (i.e., non-financial groups)—Energy; Materials and Buildings; Transportation; and Agriculture, Food, and Forest Products—based on similarities in climate-related risks as shown in Box 2 (p. 16). While this supplemental guidance focuses on a subset of non-financial industries, organizations in other industries with similar business activities may wish to review and consider the issues and topics contained in the supplemental guidance.

A
Introduction

B
Climate-Related Risks, Opportunities, and Financial Impacts

C
Recommendations and Guidance

D
Scenario Analysis and Climate-Related Issues

E
Key Issues Considered and Areas for Further Work

F
Conclusion

Appendices

Figure 5

Supplemental Guidance for Financial Sector and Non-Financial Groups

		Governance		Strategy			Risk Management			Metrics and Targets		
	Industries and Groups	a)	b)	a)	b)	c)	a)	b)	c)	a)	b)	c)
Financial	Banks			■			■			■		
	Insurance Companies				■	■	■	■		■		
	Asset Owners				■	■	■	■		■	■	
	Asset Managers				■		■	■		■	■	
Non-Financial	Energy				■	■				■		
	Transportation				■	■				■		
	Materials and Buildings				■	■				■		
	Agriculture, Food, and Forest Products				■	■				■		

[34] The use of the term "insurance companies" in this report includes re-insurers.

Box 2

Determination of Non-Financial Groups

In an effort to focus supplemental guidance on those non-financial sectors and industries with the highest likelihood of climate-related financial impacts, the Task Force assessed three factors most likely to be affected by both transition risk (policy and legal, technology, market, and reputation) and physical risk (acute and chronic)—GHG emissions, energy usage, and water usage.

The underlying premise in using these three factors is that climate-related physical and transition risks will likely manifest themselves primarily and broadly in the form of constraints on GHG emissions, effects on energy production and usage, and effects on water availability, usage, and quality. Other factors, such as waste management and land use, are also important, but may not be as determinative across a wide range of industries or may be captured in one of the primary categories.

In taking this approach, the Task Force consulted a number of sources regarding the ranking of various sectors and industries according to these three factors. The various rankings were used to determine an overall set of sectors and industries that have significant exposure to transition or physical risks related to GHG emissions, energy, or water. The sectors and industries were grouped into four categories of industries that have similar economic activities and climate-related exposures.

These four groups and their associated industries are intended to be indicative of the economic activities associated with these industries rather than definitive industry categories. Other industries with similar activities and climate-related exposures should consider the supplemental guidance as well.

The Task Force validated its approach using a variety of sources, including:

1 The TCFD Phase I report public consultation, soliciting more than 200 responses which ranked Energy, Utilities, Materials, Industrials and Consumer Staples/Discretionary, in that order, as the Global Industry Classification Standard (GICS) sectors most important for disclosure guidelines to cover.

2 Numerous sector-specific disclosure guidance documents to understand various breakdowns by economic activity, sector, and industries, including from the following sources: CDP, GHG Protocol, Global Real Estate Sustainability Benchmark (GRESB), Global Reporting Initiative (GRI), Institutional Investors Group on Climate Change (IIGCC), IPIECA (the global oil and gas industry association for environmental and social issues), and the Sustainability Accounting Standards Board (SASB).

3 The Intergovernmental Panel on Climate Change (IPCC) report "Climate Change 2014 – Mitigation of Climate Change" that provides an analysis of global direct and indirect emissions by economic sector. The IPCC analysis highlights the dominant emissions-producing sectors as Energy; Industry; Agriculture, Forestry, and Other Land Use; and Transportation and Buildings (Commercial and Residential).

4 Research and documentation from non-governmental organizations (NGOs) and industry organizations that provide information on which industries have the highest exposures to climate change, including those from Cambridge Institute of Sustainability Leadership, China's National Development and Reform Commission (NDRC), Environmental Resources Management (ERM), IEA, Moody's, S&P Global Ratings, and WRI/UNEPFI.

Based on its assessment, the Task Force identified the four groups and their associated industries, listed in the table below, as those that would most benefit from supplemental guidance.

Energy	Transportation	Materials and Buildings	Agriculture, Food, and Forest Products
– Oil and Gas – Coal – Electric Utilities	– Air Freight – Passenger Air Transportation – Maritime Transportation – Rail Transportation – Trucking Services – Automobiles and Components	– Metals and Mining – Chemicals – Construction Materials – Capital Goods – Real Estate Management and Development	– Beverages – Agriculture – Packaged Foods and Meats – Paper and Forest Products

2. Implementing the Recommendations

a. Scope of Coverage

To promote more informed investing, lending, and insurance underwriting decisions, the Task Force recommends all organizations with public debt or equity implement its recommendations. Because climate-related issues are relevant for other types of organizations as well, the Task Force encourages all organizations to implement these recommendations. In particular, the Task Force believes that asset managers and asset owners, including public- and private-sector pension plans, endowments, and foundations, should implement its recommendations so that their clients and beneficiaries may better understand the performance of their assets, consider the risks of their investments, and make more informed investment choices.

b. Location of Disclosures and Materiality

The Task Force recommends that organizations provide climate-related financial disclosures in their mainstream (i.e., public) annual financial filings.[35] In most G20 jurisdictions, public companies have a legal obligation to disclose material information in their financial filings—including material climate-related information; and the Task Force's recommendations are intended to help organizations meet existing disclosure obligations more effectively.[36] The Task Force's recommendations were developed to apply broadly across sectors and jurisdictions and should not be seen as superseding national disclosure requirements. Importantly, organizations should make financial disclosures in accordance with their national disclosure requirements. If certain elements of the recommendations are incompatible with national disclosure requirements for financial filings, the Task Force encourages organizations to disclose those elements in other official company reports that are issued at least annually, widely distributed and available to investors and others, and subject to internal governance processes that are the same or substantially similar to those used for financial reporting.

The Task Force recognizes that most information included in financial filings is subject to a materiality assessment. However, because climate-related risk is a non-diversifiable risk that affects nearly all industries, many investors believe it requires special attention. For example, in assessing organizations' financial and operating results, many investors want insight into the governance and risk management context in which such results are achieved. The Task Force believes disclosures related to its Governance and Risk Management recommendations directly address this need for context and should be included in annual financial filings.

For disclosures related to the Strategy and Metrics and Targets recommendations, the Task Force believes organizations should provide such information in annual financial filings when the information is deemed material. Certain organizations—those in the four non-financial groups that have more than one billion U.S. dollar equivalent (USDE) in annual revenue—should consider disclosing such information in other reports when the information is not deemed material and not included in financial filings.[37] Because these organizations are more likely than others to be financially impacted over time, investors are interested in monitoring how these organizations' strategies evolve.

[35] Financial filings refer to the annual reporting packages in which organizations are required to deliver their audited financial results under the corporate, compliance, or securities laws of the jurisdictions in which they operate. While reporting requirements differ internationally, financial filings generally contain financial statements and other information such as governance statements and management commentary.

[36] The Task Force encourages organizations where climate-related issues could be material in the future to begin disclosing climate-related financial information outside financial filings to facilitate the incorporation of such information into financial filings once climate-related issues are determined to be material.

[37] The Task Force chose a one billion USDE annual revenue threshold because it captures organizations responsible for over 90 percent of Scope 1 and 2 GHG emissions in the industries represented by the four non-financial groups (about 2,250 organizations out of roughly 15,000).

The Task Force recognizes reporting by asset managers and asset owners is intended to satisfy the needs of clients, beneficiaries, regulators, and oversight bodies and follows a format that is generally different from corporate financial reporting. For purposes of adopting the Task Force's recommendations, asset managers and asset owners should use their existing means of financial reporting to their clients and beneficiaries where relevant and where feasible. Likewise, asset managers and asset owners should consider materiality in the context of their respective mandates and investment performance for clients and beneficiaries.[38]

The Task Force believes that climate-related financial disclosures should be subject to appropriate internal governance processes. Since these disclosures should be included in annual financial filings, the governance processes should be similar to those used for existing financial reporting and would likely involve review by the chief financial officer and audit committee, as appropriate. The Task Force recognizes that some organizations may provide some or all of their climate-related financial disclosures in reports other than financial filings. This may occur because the organizations are not required to issue public financial reports (e.g., some asset managers and asset owners). In such situations, organizations should follow internal governance processes that are the same or substantially similar to those used for financial reporting.

c. Principles for Effective Disclosures

To underpin its recommendations and help guide current and future developments in climate-related financial reporting, the Task Force developed seven principles for effective disclosure (Figure 6), which are described more fully in Appendix 3. When used by organizations in preparing their climate-related financial disclosures, these principles can help achieve high-quality and decision-useful disclosures that enable users to understand the impact of climate change on organizations. The Task Force encourages organizations to consider these principles as they develop climate-related financial disclosures.

Figure 6

Principles for Effective Disclosures

1 Disclosures should represent relevant information

2 Disclosures should be specific and complete

3 Disclosures should be clear, balanced, and understandable

4 Disclosures should be consistent over time

5 Disclosures should be comparable among companies within a sector, industry, or portfolio

6 Disclosures should be reliable, verifiable, and objective

7 Disclosures should be provided on a timely basis

The Task Force's disclosure principles are largely consistent with internationally accepted frameworks for financial reporting and are generally applicable to most providers of financial disclosures. The principles are designed to assist organizations in making clear the linkages between climate-related issues and their governance, strategy, risk management, and metrics and targets.

[38] The Task Force recommends asset managers and asset owners include carbon footprinting information in their reporting to clients and beneficiaries, as described in Section D of the Annex, to support the assessment and management of climate-related risks.

3. Guidance for All Sectors

The Task Force has developed guidance to support all organizations in developing climate-related financial disclosures consistent with its recommendations and recommended disclosures. The guidance assists preparers by providing context and suggestions for implementing the recommended disclosures. Recognizing organizations have differing levels of capacity to disclose under the recommendations, the guidance provides descriptions of the types of information that should be disclosed or considered.

a. Governance

Investors, lenders, insurance underwriters, and other users of climate-related financial disclosures (collectively referred to as "investors and other stakeholders") are interested in understanding the role an organization's board plays in overseeing climate-related issues as well as management's role in assessing and managing those issues. Such information supports evaluations of whether climate-related issues receive appropriate board and management attention.

Governance

Disclose the organization's governance around climate-related risks and opportunities.

Recommended Disclosure a) Describe the board's oversight of climate-related risks and opportunities.	**Guidance for All Sectors** In describing the board's oversight of climate-related issues, organizations should consider including a discussion of the following: – processes and frequency by which the board and/or board committees (e.g., audit, risk, or other committees) are informed about climate-related issues, – whether the board and/or board committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organization's performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures, and – how the board monitors and oversees progress against goals and targets for addressing climate-related issues.
Recommended Disclosure b) Describe management's role in assessing and managing climate-related risks and opportunities.	**Guidance for All Sectors** In describing management's role related to the assessment and management of climate-related issues, organizations should consider including the following information: – whether the organization has assigned climate-related responsibilities to management-level positions or committees; and, if so, whether such management positions or committees report to the board or a committee of the board and whether those responsibilities include assessing and/or managing climate-related issues, – a description of the associated organizational structure(s), – processes by which management is informed about climate-related issues, and – how management (through specific positions and/or management committees) monitors climate-related issues.

b. Strategy

Investors and other stakeholders need to understand how climate-related issues may affect an organization's businesses, strategy, and financial planning over the short, medium, and long term. Such information is used to inform expectations about the future performance of an organization.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Recommended Disclosure a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	**Guidance for All Sectors** Organizations should provide the following information: – a description of what they consider to be the relevant short-, medium-, and long-term time horizons, taking into consideration the useful life of the organization's assets or infrastructure and the fact that climate-related issues often manifest themselves over the medium and longer terms, – a description of the specific climate-related issues for each time horizon (short, medium, and long term) that could have a material financial impact on the organization, and – a description of the process(es) used to determine which risks and opportunities could have a material financial impact on the organization. Organizations should consider providing a description of their risks and opportunities by sector and/or geography, as appropriate. In describing climate-related issues, organizations should refer to Tables 1 and 2 (pp. 10-11).
Recommended Disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	**Guidance for All Sectors** Building on recommended disclosure (a), organizations should discuss how identified climate-related issues have affected their businesses, strategy, and financial planning. Organizations should consider including the impact on their businesses and strategy in the following areas: – Products and services – Supply chain and/or value chain – Adaptation and mitigation activities – Investment in research and development – Operations (including types of operations and location of facilities) Organizations should describe how climate-related issues serve as an input to their financial planning process, the time period(s) used, and how these risks and opportunities are prioritized. Organizations' disclosures should reflect a holistic picture of the interdependencies among the factors that affect their ability to create value over time. Organizations should also consider including in their disclosures the impact on financial planning in the following areas: – Operating costs and revenues – Capital expenditures and capital allocation – Acquisitions or divestments – Access to capital If climate-related scenarios were used to inform the organization's strategy and financial planning, such scenarios should be described.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Recommended Disclosure c)	Guidance for All Sectors
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Organizations should describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a lower-carbon economy consistent with a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks. Organizations should consider discussing: – where they believe their strategies may be affected by climate-related risks and opportunities; – how their strategies might change to address such potential risks and opportunities; and – the climate-related scenarios and associated time horizon(s) considered. Refer to Section D for information on applying scenarios to forward-looking analysis.

c. Risk Management

Investors and other stakeholders need to understand how an organization's climate-related risks are identified, assessed, and managed and whether those processes are integrated into existing risk management processes. Such information supports users of climate-related financial disclosures in evaluating the organization's overall risk profile and risk management activities.

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

Recommended Disclosure	Guidance for All Sectors
Recommended Disclosure a) Describe the organization's processes for identifying and assessing climate-related risks.	Organizations should describe their risk management processes for identifying and assessing climate-related risks. An important aspect of this description is how organizations determine the relative significance of climate-related risks in relation to other risks. Organizations should describe whether they consider existing and emerging regulatory requirements related to climate change (e.g., limits on emissions) as well as other relevant factors considered. Organizations should also consider disclosing the following: – processes for assessing the potential size and scope of identified climate-related risks and – definitions of risk terminology used or references to existing risk classification frameworks used.
Recommended Disclosure b) Describe the organization's processes for managing climate-related risks.	Organizations should describe their processes for managing climate-related risks, including how they make decisions to mitigate, transfer, accept, or control those risks. In addition, organizations should describe their processes for prioritizing climate-related risks, including how materiality determinations are made within their organizations. In describing their processes for managing climate-related risks, organizations should address the risks included in Tables 1 and 2 (pp. 10-11), as appropriate.

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

Recommended Disclosure c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	**Guidance for All Sectors** Organizations should describe how their processes for identifying, assessing, and managing climate-related risks are integrated into their overall risk management.

d. Metrics and Targets

Investors and other stakeholders need to understand how an organization measures and monitors its climate-related risks and opportunities. Access to the metrics and targets used by an organization allows investors and other stakeholders to better assess the organization's potential risk-adjusted returns, ability to meet financial obligations, general exposure to climate-related issues, and progress in managing or adapting to those issues. They also provide a basis upon which investors and other stakeholders can compare organizations within a sector or industry.

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommended Disclosure a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	**Guidance for All Sectors** Organizations should provide the key metrics used to measure and manage climate-related risks and opportunities, as described in Tables 1 and 2 (pp. 10-11). Organizations should consider including metrics on climate-related risks associated with water, energy, land use, and waste management where relevant and applicable. Where climate-related issues are material, organizations should consider describing whether and how related performance metrics are incorporated into remuneration policies. Where relevant, organizations should provide their internal carbon prices as well as climate-related opportunity metrics such as revenue from products and services designed for a lower-carbon economy. Metrics should be provided for historical periods to allow for trend analysis. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate climate-related metrics.
Recommended Disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	**Guidance for All Sectors** Organizations should provide their Scope 1 and Scope 2 GHG emissions and, if appropriate, Scope 3 GHG emissions and the related risks.[39] GHG emissions should be calculated in line with the GHG Protocol methodology to allow for aggregation and comparability across organizations and jurisdictions.[40] As appropriate, organizations should consider providing related, generally accepted industry-specific GHG efficiency ratios.[41] GHG emissions and associated metrics should be provided for historical

[39] Emissions are a prime driver of rising global temperatures and, as such, are a key focal point of policy, regulatory, market, and technology responses to limit climate change. As a result, organizations with significant emissions are likely to be impacted more significantly by transition risk than other organizations. In addition, current or future constraints on emissions, either directly by emission restrictions or indirectly through carbon budgets, may impact organizations financially.

[40] While challenges remain, the GHG Protocol methodology is the most widely recognized and used international standard for calculating GHG emissions. Organizations may use national reporting methodologies if they are consistent with the GHG Protocol methodology.

[41] For industries with high energy consumption, metrics related to emission intensity are important to provide. For example, emissions per unit of economic output (e.g., unit of production, number of employees, or value-added) is widely used. See the Annex for examples of metrics.

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

	periods to allow for trend analysis. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate the metrics.
Recommended Disclosure c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	**Guidance for All Sectors** Organizations should describe their key climate-related targets such as those related to GHG emissions, water usage, energy usage, etc., in line with anticipated regulatory requirements or market constraints or other goals. Other goals may include efficiency or financial goals, financial loss tolerances, avoided GHG emissions through the entire product life cycle, or net revenue goals for products and services designed for a lower-carbon economy. In describing their targets, organizations should consider including the following: – whether the target is absolute or intensity based, – time frames over which the target applies, – base year from which progress is measured, and – key performance indicators used to assess progress against targets. Where not apparent, organizations should provide a description of the methodologies used to calculate targets and measures.

D Scenario Analysis and Climate-Related Issues

D Scenario Analysis and Climate-Related Issues

Some organizations are affected by risks associated with climate change today. However, for many organizations, the most significant effects of climate change are likely to emerge over the medium to longer term and their timing and magnitude are uncertain. This uncertainty presents challenges for individual organizations in understanding the potential effects of climate change on their businesses, strategies, and financial performance. To appropriately incorporate the potential effects in their planning processes, organizations need to consider how their climate-related risks and opportunities may evolve and the potential implications under different conditions. One way to do this is through scenario analysis.

Scenario analysis is a well-established method for developing strategic plans that are more flexible or robust to a range of plausible future states. The use of scenario analysis for assessing the potential business implications of climate-related risks and opportunities, however, is relatively recent. While several organizations use scenario analysis to assess the potential impact of climate change on their businesses, only a subset have disclosed their assessment of forward-looking implications publicly, either in sustainability reports or financial filings.[42]

The disclosure of organizations' forward-looking assessments of climate-related issues is important for investors and other stakeholders in understanding how vulnerable individual organizations are to transition and physical risks and how such vulnerabilities are or would be addressed. As a result, the Task Force believes that organizations should use scenario analysis to assess potential business, strategic, and financial implications of climate-related risks and opportunities and disclose those, as appropriate, in their annual financial filings.

Scenario analysis is an important and useful tool for understanding the strategic implications of climate-related risks and opportunities.

This section provides additional information on using scenario analysis as a tool to assess potential implications of climate-related risks and opportunities. In addition, a technical supplement, The Use of Scenario Analysis in Disclosure of Climate-Related Risks and Opportunities, on the Task Force's website provides further information on the types of climate-related scenarios, the application of scenario analysis, and the key challenges in implementing scenario analysis.

1. Overview of Scenario Analysis

Scenario analysis is a process for identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty. Scenarios are hypothetical constructs and not designed to deliver precise outcomes or forecasts. Instead, scenarios provide a way for organizations to consider how the future might look if certain trends continue or certain conditions are met. In the case of climate change, for example, scenarios allow an organization to explore and develop an understanding of how various combinations of climate-related risks, both transition and physical risks, may affect its businesses, strategies, and financial performance over time.

Scenario analysis can be qualitative, relying on descriptive, written narratives, or quantitative, relying on numerical data and models, or some combination of both. Qualitative scenario analysis

[42] Some organizations in the energy sector and some large investors have made public disclosures describing the results of their climate-related scenario analysis, including discussing how the transition might affect their current portfolios. In some instances, this information was published in financial filings.

explores relationships and trends for which little or no numerical data is available, while quantitative scenario analysis can be used to assess measurable trends and relationships using models and other analytical techniques.[43] Both rely on scenarios that are internally consistent, logical, and based on explicit assumptions and constraints that result in plausible future development paths.

As summarized in Figure 7, there are several reasons why scenario analysis is a useful tool for organizations in assessing the potential implications of climate-related risks and opportunities.

Figure 7

Reasons to Consider Using Scenario Analysis for Climate Change

1. Scenario analysis can help organizations consider issues, like climate change, that have the following characteristics:
   - Possible outcomes that are highly uncertain (e.g., the **physical** response of the climate and ecosystems to higher levels of GHG emissions in the atmosphere)
   - Outcomes that will play out over the medium to longer term (e.g., timing, distribution, and mechanisms of the **transition** to a lower-carbon economy)
   - Potential disruptive effects that, due to uncertainty and complexity, are substantial
2. Scenario analysis can enhance organizations' strategic conversations about the future by considering, in a more structured manner, what may unfold that is different from business-as-usual. Importantly, it broadens decision makers' thinking across a range of plausible scenarios, including scenarios where climate-related impacts can be significant.
3. Scenario analysis can help organizations frame and assess the potential range of plausible business, strategic, and financial impacts from climate change and the associated management actions that may need to be considered in strategic and financial plans. This may lead to more robust strategies under a wider range of uncertain future conditions.
4. Scenario analysis can help organizations identify indicators to monitor the external environment and better recognize when the environment is moving toward a different scenario state (or to a different stage along a scenario path). This allows organizations the opportunity to reassess and adjust their strategies and financial plans accordingly.[44]
5. Scenario analysis can assist investors in understanding the robustness of organizations' strategies and financial plans and in comparing risks and opportunities across organizations.

2. Exposure to Climate-Related Risks

The effects of climate change on specific sectors, industries, and individual organizations are highly variable. It is important, therefore, that all organizations consider applying a basic level of scenario analysis in their strategic planning and risk management processes. Organizations more significantly affected by transition risk (e.g., fossil fuel-based industries, energy-intensive manufacturers, and transportation activities) and/or physical risk (e.g., agriculture, transportation

[43] For example, see Mark D. A. Rounsevell, Marc J. Metzger, *Developing qualitative scenario storylines for environmental change assessment,* WIREs Climate Change 2010, 1: 606-619. doi: 10.1002/wcc.63, 2010 and Oliver Fricko, et. al., *Energy sector water use implications of a 2º C climate policy,* Environmental Research Letters, 11: 1-10, 2016.

[44] J.N. Maack, *Scenario analysis: a tool for task managers,* Social Analysis: selected tools and techniques, Social Development Papers, Number 36, the World Bank, June 2001, Washington, DC.

and building infrastructure, insurance, and tourism) should consider a more in-depth application of scenario analysis.

a. Exposure to Transition Risks

Transition risk scenarios are particularly relevant for resource-intensive organizations with high GHG emissions within their value chains, where policy actions, technology, or market changes aimed at emissions reductions, energy efficiency, subsidies or taxes, or other constraints or incentives may have a particularly direct effect.

A key type of transition risk scenario is a so-called 2°C scenario, which lays out a pathway and an emissions trajectory consistent with holding the increase in the global average temperature to 2°C above pre-industrial levels. In December 2015, nearly 200 governments agreed to strengthen the global response to the threat of climate change by "holding the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels," referred to as the Paris Agreement.[45] As a result, a 2°C scenario provides a common reference point that is generally aligned with the objectives of the Paris Agreement and will support investors' evaluation of the potential magnitude and timing of transition-related implications for individual organizations; across different organizations within a sector; and across different sectors.

b. Exposure to Physical Risks

A wide range of organizations are exposed to climate-related physical risks. Physical climate-related scenarios are particularly relevant for organizations exposed to acute or chronic climate change, such as those with:

- long-lived, fixed assets;
- locations or operations in climate-sensitive regions (e.g., coastal and flood zones);
- reliance on availability of water; and
- value chains exposed to the above.

Physical risk scenarios generally identify extreme weather threats of moderate or higher risk before 2030 and a larger number and range of physical threats between 2030 and 2050. Although most climate models deliver scenario results for physical impacts beyond 2050, organizations typically focus on the consequences of physical risk scenarios over shorter time frames that reflect the lifetimes of their respective assets or liabilities, which vary across sectors and organizations.

3. Recommended Approach to Scenario Analysis

The Task Force believes that all organizations exposed to climate-related risks should consider (1) using scenario analysis to help inform their strategic and financial planning processes and (2) disclosing how resilient their strategies are to a range of plausible climate-related scenarios. The Task Force recognizes that, for many organizations, scenario analysis is or would be a largely qualitative exercise. However, organizations with more significant exposure to transition risk and/or physical risk should undertake more rigorous qualitative and, if relevant, quantitative scenario analysis with respect to key drivers and trends that affect their operations.

A critical aspect of scenario analysis is the selection of a set of scenarios (not just one) that covers a reasonable variety of future outcomes, both favorable and unfavorable. In this regard, the Task Force recommends organizations use a 2°C or lower scenario in addition to two or three other

[45] United Nations Framework Convention on Climate Change. "The Paris Agreement," December 2015.

scenarios most relevant to their circumstances, such as scenarios related to Nationally Determined Contributions (NDCs), physical climate-related scenarios, or other challenging scenarios.[46] In jurisdictions where NDCs are a commonly accepted guide for an energy and/or emissions pathway, NDCs may constitute particularly useful scenarios to include in an organization's suite of scenarios for conducting climate-related scenario analysis.

For an organization in the initial stages of implementing scenario analysis or with limited exposure to climate-related issues, the Task Force recommends disclosing how resilient, qualitatively or directionally, the organization's strategy and financial plans may be to a range of relevant climate change scenarios. This information helps investors, lenders, insurance underwriters, and other stakeholders understand the robustness of an organization's forward-looking strategy and financial plans across a range of possible future states.

Organizations with more significant exposure to climate-related issues should consider disclosing key assumptions and pathways related to the scenarios they use to allow users to understand the analytical process and its limitations. In particular, it is important to understand the critical parameters and assumptions that materially affect the conclusions drawn. As a result, the Task Force believes that organizations with significant climate-related exposures should *strive* to disclose the elements described in Figure 8.

A
Introduction

B
Climate-Related Risks, Opportunities, and Financial Impacts

C
Recommendations and Guidance

D
Scenario Analysis and Climate-Related Issues

E
Key Issues Considered and Areas for Further Work

F
Conclusion

Appendices

Figure 8

Disclosure Considerations for Non-Financial Organizations

Organizations with more significant exposure to climate-related issues should consider disclosing key aspects of their scenario analysis, such as the ones described below.

1 The scenarios used, including the 2°C or lower scenario[47]

2 Critical input parameters, assumptions, and analytical choices for the scenarios used, including such factors as:
- Assumptions about possible technology responses and timing (e.g., evolution of products/services, the technology used to produce them, and costs to implement)
- Assumptions made around potential differences in input parameters across regions, countries, asset locations, and/or markets
- Approximate sensitivities to key assumptions

3 Time frames used for scenarios, including short-, medium-, and long-term milestones (e.g., how organizations consider timing of potential future implications under the scenarios used)

4 Information about the resiliency of the organization's strategy, including strategic performance implications under the various scenarios considered, potential qualitative or directional implications for the organization's value chain, capital allocation decisions, research and development focus, and potential material financial implications for the organization's operating results and/or financial position

[46] The Task Force's technical supplement, The Use of Scenario Analysis in Disclosure of Climate-Related Risks and Opportunities provides more information on scenario inputs, analytical assumptions and choices, and assessment and presentation of potential impacts.

[47] The objective of the Paris Agreement is to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C. The IEA is developing a 1.5°C scenario that organizations may find useful.

4. Applying Scenario Analysis

While the Task Force recognizes the complexities of scenario analysis and the potential resources needed to conduct it, organizations are encouraged to use scenario analysis to assess climate-related risks and opportunities. For organizations just beginning to use scenario analysis, a qualitative approach that progresses and deepens over time may be appropriate.[48] Greater rigor and sophistication in the use of data and quantitative models and analysis may be warranted for organizations with more extensive experience in conducting scenario analysis. Organizations may decide to use existing external scenarios and models (e.g., those provided by third-party vendors) or develop their own, in-house modeling capabilities. The choice of approach will depend on an organization's needs, resources, and capabilities.

In conducting scenario analysis, organizations should *strive* to achieve:

- transparency around parameters, assumptions, analytical approaches, and time frames;
- comparability of results across different scenarios and analytical approaches;
- adequate documentation for the methodology, assumptions, data sources, and analytics;
- consistency of methodology year over year;
- sound governance over scenario analysis conduct, validation, approval, and application; and
- effective disclosure of scenario analysis that will inform and promote a constructive dialogue between investors and organizations on the range of potential impacts and resilience of the organization's strategy under various plausible climate-related scenarios.

In applying scenario analysis, organizations should consider general implications for their strategies, capital allocation, and costs and revenues, both at an enterprise-wide level and at the level of specific regions and markets where specific implications of climate change for the organization are likely to arise. Financial-sector organizations should consider using scenario analysis to evaluate the potential impact of climate-related scenarios on individual assets or investments, investments or assets in a particular sector or region, or underwriting activities.

The Task Force's supplemental guidance recognizes that organizations will be at different levels of experience in using scenario analysis. However, it is important for organizations to use scenario analysis and develop the necessary organizational skills and capabilities to assess climate-related risks and opportunities, with the expectation that organizations will evolve and deepen their use of scenario analysis over time. The objective is to assist investors and other stakeholders in better understanding:

- the degree of robustness of the organization's strategy and financial plans under different plausible future states of the world;
- how the organization may be positioning itself to take advantage of opportunities and plans to mitigate or adapt to climate-related risks; and
- how the organization is challenging itself to think strategically about longer-term climate-related risks and opportunities.

[48] Organizations considering undertaking scenario analysis may wish to conduct various sensitivity analyses around key climate factors as a precursor to scenario analysis, recognizing that sensitivity analysis and scenario analysis are different, but complementary, processes.

5. Challenges and Benefits of Conducting Scenario Analysis

Scenario analysis is a well-established method for developing strategic plans that are more flexible and robust to a range of plausible future states. As previously discussed (Figure 7, p. 26) it is particularly useful for assessing issues with possible outcomes that are highly uncertain, that play out over the medium to longer term, and that are potentially disruptive. Scenario analysis can help to better frame strategic issues, assess the range of potential management actions that may be needed, engage more productively in strategic conversations, and identify indicators to monitor the external environment. Importantly, climate-related scenario analysis can provide the foundation for more effective engagement with investors on an organization's strategic and business resiliency.

Conducting climate-related scenario analysis, however, is not without challenges. First, most scenarios have been developed for global and macro assessments of potential climate-related impacts that can inform policy makers. These climate-related scenarios do not always provide the ideal level of transparency, range of data outputs, and functionality of tools that would facilitate their use in a business or investment context.

Second, the availability and granularity of data can be a challenge for organizations attempting to assess various energy and technology pathways or carbon constraints in different jurisdictions and geographic locations.

Third, the use of climate-related scenario analysis to assess potential business implications is still at an early stage. Although a handful of the largest organizations and investors are using climate-related scenario analysis as part of their strategic planning and risk management processes, many organizations are just beginning to explore its use. Sharing experiences and approaches to climate-related scenario analysis across organizations, therefore, is critical to advancing the use of climate-related scenario analysis. Organizations may be able to play an important role in this regard by facilitating information and experience exchanges among themselves; collectively developing tools, data sets, and methodologies; and working to set standards. Organizations across many different sectors will inevitably need to learn by doing. Some may seek guidance from other industry participants and experts on how to apply climate-related scenarios to make forward-looking analyses of climate-related risks and opportunities.

Addressing these challenges and advancing the use of climate-related scenario analysis will require further work. These challenges, however, are not insurmountable and can be addressed. Organizations should undertake scenario analysis in the near term to capture the important benefits for assessing climate-related risks and opportunities and improve their capabilities as tools and data progress over time.

E Key Issues Considered and Areas for Further Work

E Key Issues Considered and Areas for Further Work

The diverse perspectives of Task Force members as well as outreach efforts, including two public consultations, resulting in over 500 responses, hundreds of industry interviews, several focus groups, and multiple webinars, provided valuable insight into the challenges that different organizations—both financial and non-financial—may encounter in preparing disclosures consistent with the Task Force's recommendations. The Task Force considered these issues and others in developing and then finalizing its recommendations and sought to balance the burden of disclosure on preparers with the need for consistent and decision-useful information for users (i.e., investors, lenders, and insurance underwriters). This section describes the key issues considered by the Task Force, significant public feedback received by the Task Force related to those issues, the ultimate disposition of the issues, and, in some cases, areas where further work may be warranted. Figure 9 summarizes areas the Task Force identified, through its own analysis as well as through public feedback, as warranting further research and analysis or the development of methodologies and standards.

Figure 9
Key Areas for Further Work

Relationship to Other Reporting Initiatives	Encourage standard setting organizations and others to actively work toward greater alignment of frameworks and to support adoption
Scenario Analysis	Further develop applicable 2°C or lower transition scenarios and supporting outputs, tools, and user interfaces Develop broadly accepted methodologies, datasets, and tools for scenario-based evaluation of physical risk by organizations Make datasets and tools publicly available and provide commonly available platforms for scenario analysis
Data Availability and Quality and Financial Impact	Undertake further research and analysis to better understand and measure how climate-related issues translate into potential financial impacts for organizations in financial and non-financial sectors Improve data quality and further develop standardized metrics for the financial sector, including better defining carbon-related assets and developing metrics that address a broader range of climate-related risks and opportunities Increase organizations' understanding of climate-related risks and opportunities
Example Disclosures[49]	Provide example disclosures to assist preparers in developing disclosures consistent with the Task Force's recommendations

[49] In response to the second consultation, organizations asked for example disclosures to gain a better understanding of how the recommended information may be disclosed. The Task Force acknowledges the development of these examples as an area of further work.

1. Relationship to Other Reporting Initiatives

Through the Task Force's outreach efforts, some organizations expressed concern that multiple disclosure frameworks and mandatory reporting requirements increase the administrative burden of disclosure efforts. Specifically, the additional time, cost, and effort required to analyze and disclose new climate-related information could penalize those with less capacity to respond.

The Task Force considered existing voluntary and mandatory climate-related reporting frameworks in developing its recommendations and provides information in the Annex on the alignment of existing frameworks, including those developed by the CDP (formerly the Carbon Disclosure Project), Climate Disclosure Standards Board (CDSB), the Global Reporting Initiative (GRI), the International Integrated Reporting Council (IIRC), and the Sustainability Accounting Standards Board (SASB), with the Task Force's recommended disclosures. The Task Force expects preparers disclosing climate-related information under other regimes will be able to use existing processes and content when developing disclosures based on the Task Force's recommendations.

The Task Force's recommendations provide a common set of principles that should help existing disclosure regimes come into closer alignment over time. Preparers, users, and other stakeholders share a common interest in encouraging such alignment as it relieves a burden for reporting entities, reduces fragmented disclosure, and provides greater comparability for users. The Task Force also encourages standard setting bodies to support adoption of the recommendations and alignment with the recommended disclosures.

2. Location of Disclosures and Materiality

In considering possible reporting venues, the Task Force reviewed existing regimes for climate-related disclosures across G20 countries. While many G20 countries have rules or regulatory guidance that require climate-related disclosure for organizations, most are *not* explicitly focused on climate-related *financial* information.[50] In addition, the locations of these disclosures vary significantly and range from surveys sent to regulators to sustainability reports to annual financial filings (see Appendix 4).

The Task Force also reviewed financial filing requirements applicable to public companies across G20 countries and found that in most G20 countries, issuers have a legal obligation to disclose material information in their financial reports—which includes material, climate-related information. Such reporting may take the form of a general disclosure of material information, but many jurisdictions require disclosure of material information in specific sections of the financial filing (e.g., in a discussion on risk factors).[51]

Based on its review, the Task Force determined that preparers of climate-related financial disclosures should provide such disclosures in their mainstream (i.e., public) annual financial filings.[52] The Task Force believes publication of climate-related financial information in mainstream financial filings will foster broader utilization of such disclosures, promoting an informed understanding of climate-related issues by investors and others, and support shareholder engagement. Importantly, in determining whether information is material, the Task Force believes organizations should determine materiality for climate-related issues consistent with how they determine the materiality of other information included in their financial filings. In addition, the Task Force cautions organizations against prematurely concluding that climate-

[50] Organization for Economic Co-operation and Development (OECD) and CDSB, *Climate Change Disclosure in G20 Countries: Stocktaking of Corporate Reporting Schemes,* November 18, 2015.

[51] N. Ganci, S. Hammer, T. Reilly, and P. Rodel*, Environmental and Climate Change Disclosure under the Securities Laws: A Multijurisdictional Survey,* Debevoise & Plimpton, March 2016.

[52] To the extent climate-related disclosures are provided outside of financial filings, organizations are encouraged to align the release of such reports with their financial filings.

related risks and opportunities are not material based on perceptions of the longer-term nature of some climate-related risks.

As part of the Task Force's second public consultation, some organizations expressed concern about disclosing information in financial filings that is not clearly tied to an assessment of materiality. The Task Force recognizes organizations' concerns about disclosing information in annual financial filings that is not clearly tied to an assessment of materiality. However, the Task Force believes disclosures related to the Governance and Risk Management recommendations should be provided in annual financial filings. Because climate-related risk is a non-diversifiable risk that affects nearly all sectors, many investors believe it requires special attention. For example, in assessing organizations' financial and operating results, many investors want insight into the governance and risk management context in which such results are achieved. The Task Force believes disclosures related to its Governance and Risk Management recommendations directly address this need for context and should be included in annual financial filings.

For disclosures related to the Strategy and Metrics and Targets recommendations, the Task Force believes organizations should provide such information in annual financial filings when the information is deemed material. Certain organizations—those in the four non-financial groups that have more than one billion USDE in annual revenue—should consider disclosing information related to these recommendations in other reports when the information is not deemed material and not included in financial filings.[53,54] Because these organizations are more likely than others to be affected financially over time due to their significant GHG emissions or energy or water dependencies, investors are interested in monitoring how the organizations' strategies evolve.

In addition, the Task Force recognizes reporting by asset managers and asset owners to their clients and beneficiaries, respectively, generally occurs outside mainstream financial filings (Figure 10). For purposes of adopting the Task Force's recommendations, asset managers and asset owners should use their existing channels of financial reporting to their clients and beneficiaries where relevant and feasible. Likewise, asset managers and asset owners should consider materiality in the context of their respective mandates and investment performance for clients and beneficiaries.

Figure 10

Reporting by Asset Owners

The financial reporting requirements and practices of asset owners vary widely and differ from what is required of organizations with public debt or equity. Some asset owners have no public reporting, while others provide extensive public reporting. For purposes of adopting the Task Force's recommendations, asset owners should use their existing channels of financial reporting to their beneficiaries and others where relevant and feasible.

Reporting by Asset Managers

Reporting to clients by asset managers also takes different forms, depending on the requirements of the client and the types of investments made. For example, an investor in a mutual fund might receive quarterly, or download from the asset manager's website, a "fund fact sheet" that reports, among other information, the top holdings by value, the top performers by returns, and the carbon footprint of the portfolio against a stated benchmark. An investor in a segregated account might receive more detailed reporting, including items such as the aggregate carbon intensity of the portfolio compared with a benchmark, the portfolio's exposure to green revenue (and how this changes over time), or insight into portfolio positioning under different climate scenarios. The Task Force appreciates that climate-related risk reporting by asset managers is in the very early stages and encourages progress and innovation by the industry.

[53] The Task Force chose a one billion USDE annual revenue threshold because it captures organizations responsible for over 90% of Scope 1 and 2 GHG emissions in the industries represented by the four non-financial groups (about 2,250 organizations out of roughly 15,000).

[54] "Other reports" should be official company reports that are issued at least annually, widely distributed and available to investors and others, and subject to internal governance processes that are substantially similar to those used for financial reporting.

3. Scenario Analysis

As part of the Task Force's second public consultation, many organizations said scenario analysis is a useful tool to help assess risks and understand potential implications of climate change; however, they also identified areas where the Task Force's recommendations and guidance could be improved. In particular, organizations asked the Task Force to identify standardized climate-related scenarios for organizations to use and clarify the information related to scenarios that should be disclosed. They also noted expectations around disclosures and climate-related scenario analysis should be proportionate to the size of the reporting entity and not onerous for smaller organizations. In addition, some organizations noted that the disclosures related to strategy could put organizations at greater risk of litigation given the high degree of uncertainty around the future timing and magnitude of climate-related impacts.

In finalizing its recommendations and guidance, the Task Force clarified organizations should describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a lower-carbon economy consistent with a 2°C or lower scenario and, where relevant, scenarios consistent with more extreme physical risks. To address concerns about proportionality, the Task Force established a threshold for organizations in the four non-financial groups that should perform more robust scenario analysis and disclose additional information on the resiliency of their strategies.

On the issue of recommending specific standardized or reference climate-related scenarios for organizations to use, Task Force members agreed that while such an approach is intuitively appealing, it is not a practical solution at this time. Existing, publicly available climate-related scenarios are not structured or defined in such a way that they can be easily applied consistently across different industries or across organizations within an industry.

The Task Force recognizes that incorporating scenario analysis into strategic planning processes will improve over time as organizations "learn by doing." To facilitate progress in this area, the Task Force encourages further work as follows:

- further developing 2°C or lower transition scenarios that can be applied to specific industries and geographies along with supporting outputs, tools, and user interfaces;
- developing broadly accepted methodologies, data sets, and tools for scenario-based evaluation of physical risk by organizations;
- making these data sets and tools publicly available to facilitate use by organizations, reduce organizational transaction costs, minimize gaps between jurisdictions in terms of technical expertise, enhance comparability of climate-related risk assessments by organizations, and help ensure comparability for investors; and
- creating more industry specific (financial and non-financial) guidance for preparers and users of climate-related scenarios.

4. Data Availability and Quality and Financial Impact

The Task Force developed supplemental guidance for the four non-financial groups that account for the largest proportion of GHG emissions, energy usage, and water usage; and, as part of that supplemental guidance, the Task Force included several illustrative metrics around factors that may be indicative of potential financial implications for climate-related risks and opportunities. As part of the second public consultation, several organizations provided feedback on the illustrative metrics, and common themes included (1) improving the comparability and consistency of the metrics, (2) clarifying the links among the metrics, climate-related risks and opportunities, and potential financial implications, (3) simplifying the metrics, and (4) providing additional guidance on the metrics, including how to calculate key metrics. Organizations also raised concerns about the lack of standardized data and metrics in the financial sector, which complicates preparers' ability to develop decision-useful metrics and users' ability to compare metrics across organizations.

The Task Force recognizes these concerns as well as broader challenges related to data availability and quality, as described below.

- The gaps in emissions measurement methodologies, including Scope 3 emissions and product life-cycle emissions methodologies, make reliable and accurate estimates difficult. [55,56]
- The lack of robust and cost-effective tools to quantify the potential impact of climate-related risks and opportunities at the asset and project level makes aggregation across an organization's activities or investment portfolios problematic and costly.
- The need to consider the variability of climate-related impacts across and within different sectors and markets further complicates the process (and magnifies the cost) of assessing potential climate-related financial impacts.
- The high degree of uncertainty around the timing and magnitude of climate-related risks makes it difficult to determine and disclose the potential impacts with precision.

In finalizing its supplemental guidance, the Task Force addressed the redundancy of the metrics; simplified the non-financial illustrative metrics tables; ensured consistent terminology was used; and clarified the links between the metrics, climate-related risks and opportunities, and potential financial implications. In addition, the Task Force encourages further research and analysis by sector and industry experts to (1) better understand and measure how climate-related issues translate into potential financial impacts; (2) develop standardized metrics for the financial sector, including better defining carbon-related assets; and (3) increase organizations' understanding of climate-related risks and opportunities. As it relates to the broader challenges with data quality and availability, the Task Force encourages preparers to include in their disclosures a description of gaps, limitations, and assumptions made as part of their assessment of climate-related issues.

5. GHG Emissions Associated with Investments

In its supplemental guidance for asset owners and asset managers issued on December 14, 2016, the Task Force asked such organizations to provide GHG emissions associated with each fund, product, or investment strategy normalized for every million of the reporting currency invested. As part of the Task Force's public consultation as well as in discussions with preparers, some asset owners and asset managers expressed concern about reporting on GHG emissions related to their own or their clients' investments given the current data challenges and existing accounting guidance on how to measure and report GHG emissions associated with investments. In particular, they voiced concerns about the accuracy and completeness of the reported data and limited application of the metric to asset classes beyond public equities. Organizations also highlighted that GHG emissions associated with investments cannot be used as a sole indicator for investment decisions (i.e., additional metrics are needed) and that the metric can fluctuate with share price movements since it uses investors' proportional share of total equity.[57]

In consideration of the feedback received, the Task Force has replaced the GHG emissions associated with investments metric in the supplemental guidance for asset owners and asset managers with a weighted average carbon intensity metric. The Task Force believes the weighted

[55] Scope 3 emissions are all indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions. See Greenhouse Gas Protocol, "Calculation Tools, FAQ."

[56] Product life cycle emissions are all the emissions associated with the production and use of a specific product, including emissions from raw materials, manufacture, transport, storage, sale, use, and disposal. See Greenhouse Gas Protocol, "Calculation Tools, FAQ."

[57] Because the metric uses investors' proportional share of total equity, increases in the underlying companies' share prices, *all else equal*, will result in a decrease in the carbon footprinting number even though GHG emissions are unchanged.

average carbon intensity metric, which measures exposure to carbon-intensive companies, addresses many of the concerns raised. For example, the metric can be applied across asset classes, is fairly simple to calculate, and does not use investors' proportional share of total equity and, therefore, is not sensitive to share price movements.

The Task Force acknowledges the challenges and limitations of current carbon footprinting metrics, including that such metrics should not necessarily be interpreted as risk metrics. Nevertheless, the Task Force views the reporting of weighted average carbon intensity as a first step and expects disclosure of this information to prompt important advancements in the development of decision-useful, climate-related risk metrics. In this regard, the Task Force encourages asset owners and asset managers to provide other metrics they believe are useful for decision making along with a description of the methodology used. The Task Force recognizes that some asset owners and asset managers may be able to report the weighted average carbon intensity and other metrics on only a portion of their investments given data availability and methodological issues. Nonetheless, increasing the number of organizations reporting this type of information should help speed the development of better climate-related risk metrics.

6. Remuneration

In the supplemental guidance for the Energy Group, the Task Force asked such organizations to consider disclosing whether and how performance metrics, including links to remuneration policies, take into consideration climate-related risks and opportunities. As part of its second public consultation, the Task Force asked whether the guidance should extend to organizations beyond those in the Energy group and, if so, to which types of organizations. The majority of organizations that commented on this issue responded that the guidance should be extended to other organizations; and many suggested that the guidance should apply to organizations more likely to be affected by climate-related risks. In consideration of the feedback received, the Task Force revised its guidance to ask organizations, where climate-related risks are material, to consider describing whether and how related performance metrics are incorporated into remuneration policies.

7. Accounting Considerations

As part of its work, the Task Force considered the interconnectivity of its recommendations with existing financial statement and disclosure requirements. The Task Force determined that the two primary accounting standard setting bodies, the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB), have issued standards to address risks and uncertainties affecting companies. Both International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" and Accounting Standards Codification (ASC) 450 "Contingencies" provide guidance on how to account for and disclose contingencies. Additionally, IAS 36 "Impairment of Assets" and ASC 360 "Long-lived Asset Impairment" provide guidance on assessing the impairment of long-lived assets. The disclosures of both contingencies and management's assessment and evaluation of long-lived assets for potential impairment are critically important in assisting stakeholders in understanding an organization's ability to meet future reported earnings and cash flow goals.

In most G20 countries, financial executives will likely recognize that the Task Force's disclosure recommendations should result in more quantitative financial disclosures, particularly disclosure of metrics, about the financial impact that climate-related risks have or could have on an organization. Specifically, asset impairments may result from assets adversely impacted by the effects of climate change and/or additional liabilities may need to be recorded to account for regulatory fines and penalties resulting from enhanced regulatory standards. Additionally, cash flows from operations, net income, and access to capital could all be impacted by the effects of climate-related risks (and opportunities). Therefore, financial executives (e.g., chief financial officers, chief accounting officers, and controllers) should be involved in the organization's evaluation of climate-related risks and opportunities and the efforts undertaken to manage the risks and maximize the opportunities. Finally, careful consideration should be given to the linkage between scenario analyses performed to assess the resilience of an organization's strategy to climate-related risks and opportunities (as suggested in the Task Force's recommendations) and assumptions underlying cash flow analyses used to assess asset (e.g., goodwill, intangibles, and fixed assets) impairments.

8. Time Frames for Short, Medium, and Long Term

As part of the Task Force's second public consultation, some organizations asked the Task Force to define specific ranges for short, medium, and long term. Because the timing of climate-related impacts on organizations will vary, the Task Force believes specifying time frames across sectors for short, medium, and long term could hinder organizations' consideration of climate-related risks and opportunities specific to their businesses. The Task Force is, therefore, not defining time frames and encourages preparers to decide how to define their own time frames according to the life of their assets, the profile of the climate-related risks they face, and the sectors and geographies in which they operate.

In assessing climate-related issues, organizations should be sensitive to the time frames used to conduct their assessments. While many organizations conduct operational and financial planning over a 1-2 year time frame and strategic and capital planning over a 2-5 year time frame, climate-related risks may have implications for an organization over a longer period. It is, therefore, important for organizations to consider the appropriate time frames when assessing climate-related risks.

9. Scope of Coverage

To promote more informed investing, lending, and insurance underwriting decisions, the Task Force recommends all financial and non-financial organizations with public debt and/or equity adopt its recommendations.[58] Because climate-related risks and opportunities are relevant for organizations across all sectors, the Task Force encourages all organizations to adopt these recommendations. In addition, the Task Force believes that asset managers and asset owners, including public- and private-sector pension plans, endowments, and foundations, should implement its recommendations. The Task Force believes climate-related financial information should be provided to asset managers' clients and asset owners' beneficiaries so that they may better understand the performance of their assets, consider the risks of their investments, and make more informed investment choices.

Consistent with existing global stewardship frameworks, asset owners should engage with the organizations in which they invest to encourage adoption of these recommendations. They should also ask their asset managers to adopt these recommendations. Asset owners' expectations in relation to climate-related risk reporting from organizations and asset managers are likely to evolve as data availability and quality improves, understanding of climate-related risk increases, and risk measurement methodologies are further developed.

The Task Force recognizes that several asset owners expressed concern about being identified as the potential "policing body" charged with ensuring adoption of the Task Force's recommendations by asset managers and underlying organizations. The Task Force appreciates that expectations must be reasonable and that asset owners have many competing priorities, but

[58] Thresholds for climate-related financial disclosures should be aligned to the financial disclosure requirements more broadly in the jurisdictions where a preparer is incorporated and/or operates and is required to make financial disclosures.

encourages them to help drive adoption of the recommendations. Because asset owners and asset managers sit at the top of the investment chain, they have an important role to play in influencing the organizations in which they invest to provide better climate-related financial disclosures.

10. Organizational Ownership

Some organizations have not formalized responsibility for climate-related risk assessment and management. Even for organizations with clearly assigned responsibilities for climate-related issues, the relationship between those responsible for climate-related risk (e.g., "environmental, social and governance" experts, chief investment officers) and those in the finance function can range from regularly scheduled interactions and exchanges of information to minimal or no interaction. According to some preparers, lack of clarity around responsibility for climate-related risk assessments and management, compounded by a lack of integration into organizations' financial reporting processes, could adversely affect implementation of the recommendations.

The Task Force believes that by encouraging disclosure of climate-related financial information in public financial filings, coordination between organizations' climate-related risk experts and the finance function will improve. Similar to the way organizations are evolving to include cyber security issues in their strategic and financial planning efforts, so too should they evolve for climate-related issues.

F Conclusion

F Conclusion

The Task Force's recommendations are a foundation for improved reporting of climate-related issues in mainstream financial filings with several resulting benefits (outlined in Figure 11). The recommendations aim to be ambitious, but also practical for near-term adoption. The Task Force expects that reporting of climate-related risks and opportunities will evolve over time as organizations, investors, and others contribute to the quality and consistency of the information disclosed.

Figure 11

Benefits of Recommendations

- Foundation for immediate adoption and flexible enough to accommodate evolving practices
- Promote board and senior management engagement on climate-related issues
- Bring the "future" nature of issues into the present through scenario analysis
- Support understanding of financial sector's exposure to climate-related risks
- Designed to solicit decision-useful, forward-looking information on financial impacts

A
Introduction

B
Climate-Related Risks, Opportunities, and Financial Impacts

C
Recommendations and Guidance

D
Scenario Analysis and Climate-Related Issues

E
Key Issues Considered and Areas for Further Work

F
Conclusion

Appendices

1. Evolution of Climate-Related Financial Disclosures

The Task Force recognizes that challenges exist, but all types of organizations can develop disclosures consistent with its recommendations. The recommendations provide a foundation for immediate adoption and are flexible enough to accommodate evolving practices. As understanding, data analytics, and modeling of climate-related issues become more widespread, disclosures can mature accordingly.

Organizations already reporting climate-related financial information under other frameworks may be well positioned to disclose under this framework immediately and are encouraged to do so. For such organizations, significant effort has gone into developing processes and collecting information needed for disclosing under these regimes. The Task Force expects these organizations will be able to use existing processes when providing disclosures in annual financial filings based on the Task Force's recommendations.[59,60] Those with less experience can begin by considering and disclosing how climate-related issues may be relevant in their current governance, strategy, and risk management practices. This initial level of disclosure will allow investors to review, recognize, and understand how organizations consider climate-related issues and their potential financial impact.

Importantly, the Task Force recognizes organizations need to make financial disclosures in accordance with their national disclosure requirements. To the extent certain elements of the recommendations are incompatible with national disclosure requirements for financial filings, the Task Force encourages organizations to disclose those elements through other reports. Such other reports should be official company reports that are issued at least annually, widely distributed and available to investors and others, and subject to internal governance processes that are the same or substantially similar to those used for financial reporting.

2. Widespread Adoption Critical

In the Task Force's view, the success of its recommendations depends on near-term, widespread adoption by organizations in the financial and non-financial sectors. Through widespread adoption, financial risks and opportunities related to climate change will become a natural part of

[59] The Task Force recognizes the structure and content of financial filings differs across jurisdictions and, therefore, believes organizations are in the best position to determine where and how the recommended disclosures should be incorporated in financial filings.

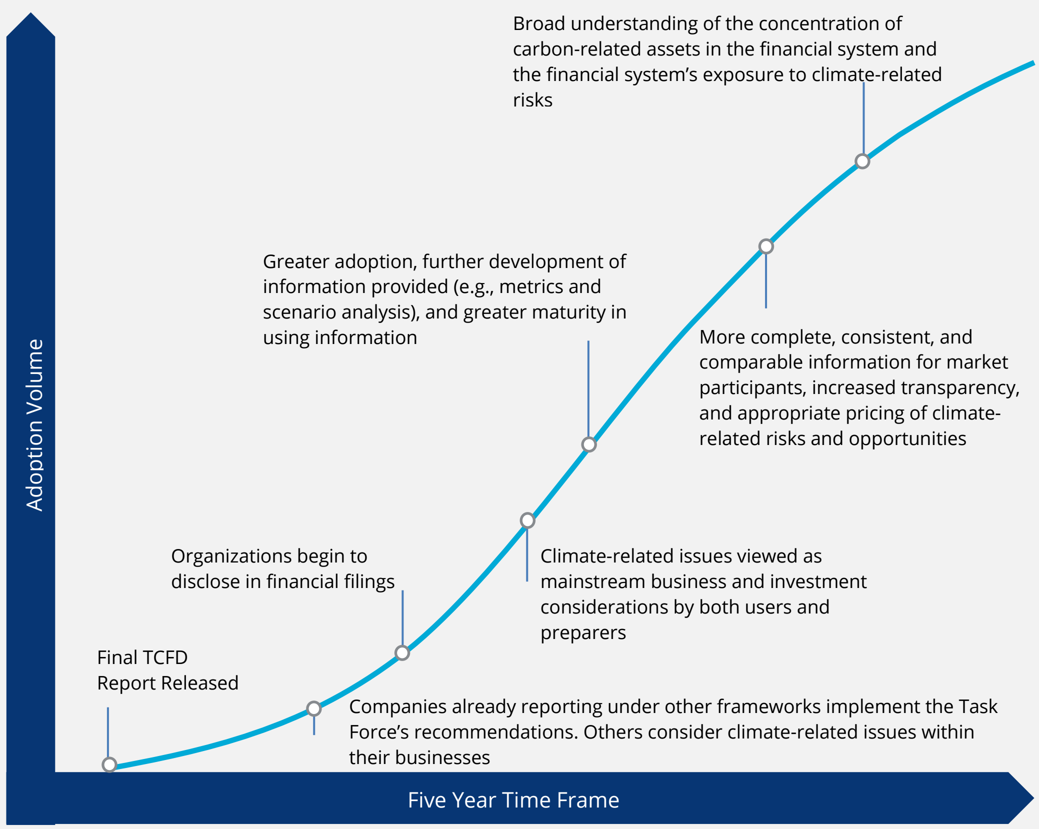
[60] The Task Force encourages organizations where climate-related issues could be material in the future to begin disclosing climate-related financial information outside financial filings to facilitate the incorporation of such information into financial filings once climate-related issues are determined to be material.

organizations' risk management and strategic planning processes. As this occurs, organizations' and investors' understanding of the potential financial implications associated with transitioning to a lower-carbon economy and physical risks will grow, information will become more decision-useful, and risks and opportunities will be more accurately priced, allowing for the more efficient allocation of capital. Figure 12 outlines a possible path for implementation.

Widespread adoption of the recommendations will require ongoing leadership by the G20 and its member countries. Such leadership is essential to continue to make the link between these recommendations and the achievements of global climate objectives. Leadership from the FSB is also critical to underscore the importance of better climate-related financial disclosures for the functioning of the financial system.

Figure 12

Implementation Path *(Illustrative)*



The Task Force is not alone in its work. A variety of stakeholders, including stock exchanges, investment consultants, credit rating agencies, and others can provide valuable contributions toward adoption of the recommendations. The Task Force believes that advocacy for these standards will be necessary for widespread adoption, including educating organizations that will disclose climate-related financial information and those that will use those disclosures to make financial decisions. To this end, the Task Force notes that strong support by the FSB and G20 authorities would have a positive impact on implementation. With the FSB's extension of the Task Force through September 2018, the Task Force will work to encourage adoption of the recommendations and support the FSB and G20 authorities in promoting the advancement of climate-related financial disclosures.

Appendices

Appendix 1: Task Force Members

Chairman and Vice Chairs

Michael Bloomberg
Chair
Founder
Bloomberg LP and Bloomberg Philanthropies

Denise Pavarina
Vice Chair
Executive Director
Banco Bradesco

Graeme Pitkethly
Vice Chair
Chief Financial Officer
Unilever

Christian Thimann
Vice Chair
Group Head of Regulation, Sustainability, and Insurance Foresight
AXA

Yeo Lian Sim
Vice Chair
Special Adviser, Diversity
Singapore Exchange

Members

Jane Ambachtsheer
Partner, Chair – Responsible Investment
Mercer

Matt Arnold
Managing Director and Global Head of Sustainable Finance
JPMorgan Chase & Co.

Wim Bartels
Partner Corporate Reporting
KPMG

Bruno Bertocci
Managing Director, Head of Sustainable Investors
UBS Asset Management

David Blood
Senior Partner
Generation Investment Management

Richard Cantor
Chief Risk Officer, Moody's Corporation
Chief Credit Officer, Moody's Investor Service

Koushik Chatterjee
Group Executive Director, Finance and Corporate
Tata Group

Eric Dugelay
Global Leader, Sustainability Services
Deloitte

Liliana Franco
Director, Accounting Organization and Methods
Air Liquide Group

Udo Hartmann
Senior Manager, Group Environmental Protection & Energy Management
Daimler

Neil Hawkins
Corporate Vice President and Chief Sustainability Officer
The Dow Chemical Company

Thomas Kusterer
Chief Financial Officer
EnBW Energie Baden-Württemberg AG

Diane Larsen
Audit Partner, Global Professional Practice
EY

Stephanie Leaist
Managing Director, Head of Sustainable Investing
Canada Pension Plan Investment Board

Mark Lewis
Managing Director, Head of European Utilities Equity Research
Barclays

Eloy Lindeijer
Chief, Investment Management, member Executive Committee
PGGM

Members *(continued)*

Ruixia Liu
General Manager, Risk Department
Industrial and Commercial Bank of China

Masaaki Nagamura
Head, Corporate Social Responsibility
Tokio Marine Holdings

Giuseppe Ricci
Chief Refining and Marketing Officer
ENI

Martin Skancke
Chair, Risk Committee
Storebrand

Andreas Spiegel
Head Group Sustainability Risk
Swiss Re

Steve Waygood
Chief Responsible Investment Officer
Aviva Investors

Fiona Wild
Vice President, Sustainability and Climate Change
BHP Billiton

Michael Wilkins
Managing Director, Environmental & Climate Risk Research
S&P Global Ratings

Jon Williams
Partner, Sustainability and Climate Change
PwC

Deborah Winshel
Managing Director, Global Head of Impact Investing
BlackRock

Special Adviser

Russell Picot
Chair, Audit and Risk Committee, LifeSight
Board Chair, HSBC Bank (UK) Pension Scheme Trustee
Former Group Chief Accounting Officer, HSBC

Secretariat

Mary Schapiro
Special Advisor to the Chair
Former Chair, U.S. Securities and Exchange Commission

Curtis Ravenel
Global Head, Sustainable Business & Finance
Bloomberg LP

Didem Nisanci
Managing Director
Promontory Financial Group, an IBM Company

Stacy Coleman
Managing Director
Promontory Financial Group, an IBM Company

Jeff Stehm
Director
Promontory Financial Group, an IBM Company

Mara Childress
Principal
Promontory Financial Group, an IBM Company

Veronika Henze
Head of Communications
Bloomberg New Energy Finance

Observers

Susan Nash
Member of Secretariat
Financial Stability Board

Joe Perry
Member of Secretariat
Financial Stability Board

Rupert Thorne
Deputy to the Secretary General
Financial Stability Board

Appendix 2: Task Force Objectives and Approach

1. Objectives

The Task Force engaged with key stakeholders throughout the development of its recommendations to ensure that its work would (1) promote alignment across existing disclosure regimes, (2) consider the perspectives of users and the concerns of preparers of climate-related financial disclosures, and (3) be efficiently implemented by organizations in their financial reporting.

2. Approach

In addition to the expertise of its members, a broad range of external resources informed the Task Force's recommendations, including existing voluntary and mandatory climate-related reporting frameworks, governance and risk management standards, government reports and research, expert resources, and various other stakeholders such as industry participants, trade associations, and non-governmental organizations (NGOs).

a. Leveraging Expertise

Task Force members come from a range of companies, including large financial companies, large non-financial companies, accounting and consulting firms, and credit rating agencies, and brought a range of practical experience, expertise, and global perspectives on preparing and using climate-related financial disclosures. Through eight plenary meetings, Task Force members contributed significantly to developing a consensus-based, industry-led approach to climate-related financial disclosure.

Due to the technically challenging and broad focus of its work, the Task Force also sought input from experts in the field of climate change, particularly in relation to scenario analysis. The Task Force engaged Environmental Resources Management (ERM) to inform its work by developing a technical paper on scenario analysis—The Use of Scenario Analysis in Disclosure of Climate-Related Risks and Opportunities. Several members of the Task Force, joined by representatives from 2° Investing Initiative (2°ii), Bloomberg New Energy Finance (BNEF), Bloomberg Quantitative Risk Experts, Carbon Tracker, CDP, and the London School of Economics and Political Science led a working group to oversee ERM's technical considerations. A workshop was also held with experts from Oxford Martin School. Additionally, the International Energy Agency (IEA) provided input regarding how scenario analysis can be conducted and used.

b. Research and Information Gathering

The Task Force's work drew on publications and research conducted by governments, NGOs, industry participants, as well as disclosure regimes with a focus on climate-related issues. The Task Force reviewed existing mandatory and voluntary reporting regimes for climate-related disclosure to identify commonalities and gaps across existing regimes and to determine areas meriting further research and analysis by the Task Force. The work of organizations regarded as standard setters, as well as several organizations active in developing reporting mechanisms for climate-related issues, served as the primary references for the Task Force in developing its recommendations and supporting guidance. The Task Force also considered resources related to sector-specific climate issues in the development of the supplemental guidance.

A
Introduction

B
Climate-Related Risks, Opportunities, and Financial Impacts

C
Recommendations and Guidance

D
Scenario Analysis and Climate-Related Issues

E
Key Issues Considered and Areas for Further Work

F
Conclusion

Appendices

c. Outreach and Engagement

Engagement with users, preparers, and other stakeholders in relevant industries and sectors across G20 countries and other countries was important in developing the Task Force's recommendations. The Task Force conducted five types of engagement to support this effort: public consultation, industry interviews, focus groups, outreach events, and webinars.

Such engagement served two primary purposes: (1) to raise the level of awareness and educate stakeholders on the Task Force's work and (2) to solicit feedback from stakeholders on the Task Force's proposed recommended disclosures and supplemental guidance for specific sectors. In total, more than 2,700 individuals in 43 countries were included in the Task Force's outreach and engagement (Figure A2.1).

Public Consultations

The Task Force conducted two public consultations. The first followed the April 1, 2016 publication of the Task Force's Phase I Report, which set out the scope and high-level objectives for the Task Force's work. The Task Force solicited input to guide the development of its recommendations for voluntary climate-related financial disclosures. In total, 203 participants from 24 countries responded to the first public consultation. Respondents represented the financial sector, non-financial sectors, NGOs, and other organizations. Public consultation comments indicated support for disclosures on scenario analysis as well as disclosures tailored for specific sectors. Key themes from the first public consultation, which informed the Task Force's recommendations and guidance, are included in Table A2.1 (p. 48).

Figure A2.1

Outreach and Engagement

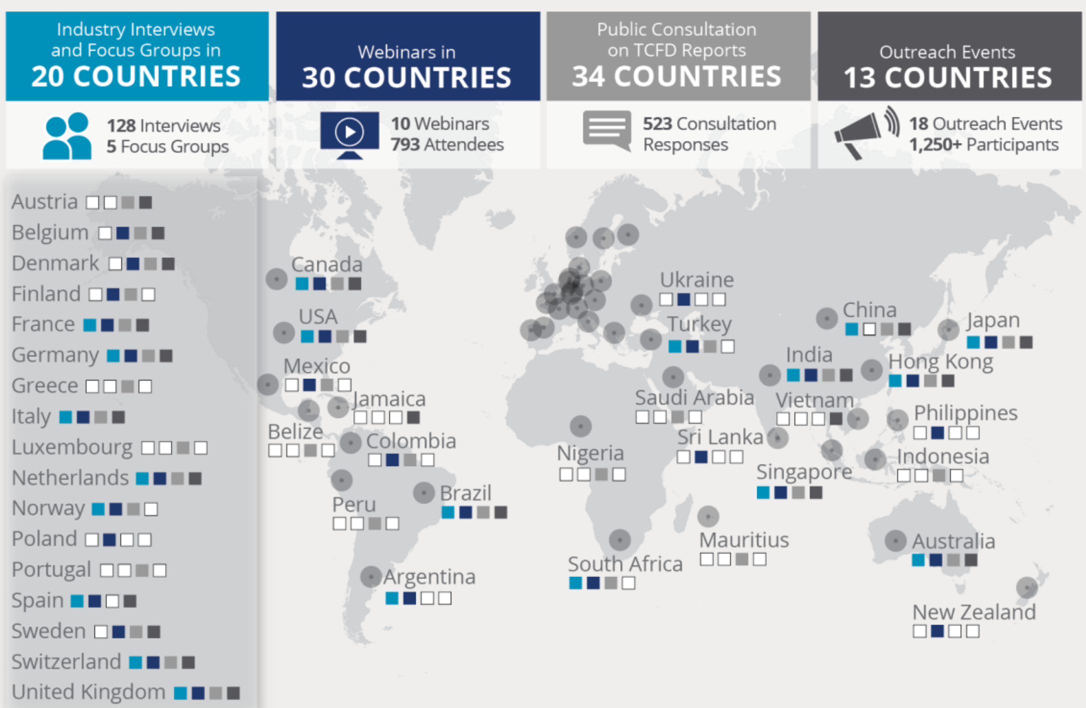


Table A2.1

Key Themes of First Public Consultation (Scope of Work)

Key Themes	Survey Response	
Components of Disclosures	The majority of respondents were in agreement that disclosures should: – be forward-looking, – address the ability to achieve targets, with strategies for achievement, and – align with material risks.	
Sector-Specific Disclosures	Respondents were in favor of disclosures for specific sectors	62%
Scenario Analysis	Respondents see scenario analysis as a key component of disclosure	96%

A second public consultation followed the release of the Task Force's report in December 2016. The Task Force conducted the second consultation through an online questionnaire designed to gather feedback on the recommendations, guidance, and key issues identified by the Task Force. The Task Force received 306 responses to its online questionnaire and 59 comment letters on the recommendations and guidance from a variety of organizations in 30 countries.[61] The majority of responses came from Europe (57 percent), followed by North America (20 percent), Asia Pacific (19 percent), South America (four percent), and the Middle East/Africa (less than one percent). Fourty-five percent of respondents provided perspective as users of disclosure, 44 percent as preparers of disclosure, and 11 percent as "other." Respondents came from the financial sector (43 percent), non-financial sectors (18 percent), or other types of organizations (39 percent).[62]

A
Introduction

B
Climate-Related Risks, Opportunities, and Financial Impacts

C
Recommendations and Guidance

D
Scenario Analysis and Climate-Related Issues

E
Key Issues Considered and Areas for Further Work

F
Conclusion

Appendices

Table A2.2

Responses to Second Public Consultation Questions

Questions	Respondent	Percent Responding "Useful"
How useful are the recommendations and guidance for all sectors in preparing disclosures?	Preparers	75%
How useful is the supplemental guidance in preparing disclosures?	Preparers	66%
If organizations disclose the recommended information, how useful would it be for decision making?	Users	77%
How useful is a description of potential performance across a range of scenarios to understanding climate-related impacts on an organization's businesses, strategy, and financial planning?	Financial	74%
	Non-Financial	17%
	Other	86%
How useful are the illustrative examples of metrics and targets?	Financial	74%
	Non-Financial	33%
	Other	72%
How useful would the disclosure of GHG emissions associated with investments be for economic decision-making?	Financial	68%
	Other	74%

[61] Of the 59 respondents that submitted comment letters, 45 also completed the online questionnaire, resulting in a total of 320 unique responses.

[62] The other types of organizations included research and advocacy NGOs; standard setting NGOs; data analytics, consulting, and research organizations; academia; and accounting associations.

Overall, respondents were generally supportive of the Task Force's recommendations as shown in Table A2.2 (p. 48); however, several provided specific and constructive feedback on the report. The key themes from this feedback are included in Table A2.3. For additional information regarding the results of the second public consultation, please view the TCFD Public Consultation Summary 2017 on the Task Force's website.

Table A2.3

Key Themes of Second Public Consultation (Recommendations)

Key Themes	
Materiality and Location of Disclosures	Clarifying which recommended disclosures depend on materiality assessment and providing flexibility for organizations to provide some or all disclosures in reports other than financial filings.
Scenario Analysis	Improving ease of implementation, and comparability of scenario analysis by specifying standard scenario(s) and providing additional guidance and tools.
Metrics for the Financial Sector	Encouraging further development and standardization of metrics for the financial sector.
Metrics for Non-Financial Sectors	Improving comparability and consistency of the illustrative metrics for non-financial sectors, clarifying the links to financial impact and climate-related risks and opportunities.
Implementation	Providing disclosure examples to support preparers in developing relevant climate-related financial disclosures.

Industry Interviews and Focus Groups

Prior to the December 2016 release of the Task Force's report for public consultation, the Task Force conducted 128 industry interviews with users and preparers of financial statements to gather feedback regarding the Task Force's draft recommendations, supplemental guidance for certain sectors, and other considerations. Industry interview participants included chief financial officers, investment officers, other finance and accounting officers, risk officers, sustainability officers, and others. Forty-three percent of the participants held finance, legal, or risk positions and 39 percent held environmental or sustainability roles.

Task Force representatives conducted two rounds of industry interviews. The initial round of interviews focused on the recommendations and guidance; the second round emphasized specific recommendations and sector-specific guidance. Organizations invited to participate in the interviews met two primary criteria: (1) represented industry and sector leaders likely to be impacted by climate-related risks and opportunities and (2) provided geographic diversity to ensure coverage from each G20 and Financial Stability Board (FSB) represented country.

The interviews provided valuable information that informed the Task Force's recommendations and guidance as reflected in the report issued for public consultation in December 2016. Industry interview themes were consistent with those identified in the second public consultation. Preparers raised concerns about the relationship of the Task Force's recommendations to other reporting initiatives and the accuracy and reliability of information requested. Users commented that establishing consistency in metrics would be beneficial, acknowledged data quality challenges, and provided thoughts on scenario analysis (e.g., would like preparers to use of a range of scenarios, interested in knowing how scenario analysis is used in the organization).

Subsequent to the December 2016 release of the Task Force's report for public consultation, the Task Force conducted five focus groups with 32 individuals from six countries representing organizations in specific sectors and industries to solicit feedback on scenario analysis and carbon footprinting metrics. In the two focus groups for the financial sector, participants expressed support for the Task Force's work, noting current challenges related to quality and consistency in reported climate-related information. Asset owners and asset managers also provided feedback on the benefits and limitations of different carbon footprinting metrics. In the three focus groups for non-financial sectors, participants in oil and gas and utilities industries provided specific feedback on their use of scenario analysis and challenges related to disclosing certain information in financial filings.

Outreach Events

The Task Force sponsored 18 public outreach events in 13 countries, and Task Force members presented the recommendations at 91 other events including conferences, forums, and meetings sponsored by industry associations, NGOs, government agencies, corporations, and other organizations. The 18 Task Force-sponsored events informed stakeholders of the Task Force's work and recommendations and included panel discussions and keynote speeches by prominent climate-risk and financial experts. Attendees included representatives of financial and non-financial organizations who spanned a variety of corporate functions, including strategy, risk, accounting, portfolio and investment management, corporate sustainability, as well as representatives from industry associations, NGOs, government agencies, research providers, academia, accounting and consulting firms, and media.

Webinars

Prior to the release of the report in December 2016 for public consultation, the Task Force offered seven webinars to educate and increase awareness of the Task Force's efforts as well as to collect additional feedback. Of the seven webinars, the Task Force hosted four webinars and participated in three additional webinars by partnering with the following organizations: Business for Social Responsibility, Global Financial Markets Association, and the National Association of Corporate Directors. These webinars served to supplement the in-person outreach events and offered global stakeholders, regardless of location, an opportunity to engage with the Task Force. The webinars included 538 attendees representing 365 organizations across 23 countries. After the release of the report, the Task Force held three webinars to present its recommendations and to solicit additional feedback. The three webinars included 255 attendees representing 209 organizations across 25 countries. In total, the Task Force offered ten webinars, reaching 793 attendees across 30 countries.

Appendix 3: Fundamental Principles for Effective Disclosure

To underpin its recommendations and help guide current and future developments in climate-related financial reporting, the Task Force developed a set of principles for effective disclosure.[63] As understanding of, and approaches to, climate-related issues evolve over time, so too will climate-related financial reporting. These principles can help achieve high-quality and decision-useful disclosures that enable users to understand the impact of climate change on organizations. The Task Force encourages organizations adopting its recommendations to consider these principles as they develop climate-related financial disclosures.

The Task Force's disclosure principles are largely consistent with other mainstream, internationally accepted frameworks for financial reporting and are generally applicable to most providers of financial disclosures. They are informed by the qualitative and quantitative characteristics of financial information and further the overall goals of producing disclosures that are consistent, comparable, reliable, clear, and efficient, as highlighted by the FSB in establishing the Task Force. The principles, taken together, are designed to assist organizations in making clear the linkages and connections between climate-related issues and their governance, strategy, risk management, and metrics and targets.

Principle 1: Disclosures should present relevant information

The organization should provide information specific to the potential impact of climate-related risks and opportunities on its markets, businesses, corporate or investment strategy, financial statements, and future cash flows.

- Disclosures should be eliminated if they are immaterial or redundant to avoid obscuring relevant information. However, when a particular risk or issue attracts investor and market interest or attention, it may be helpful for the organization to include a statement that the risk or issue is not significant. This shows that the risk or issue has been considered and has not been overlooked.
- Disclosures should be presented in sufficient detail to enable users to assess the organization's exposure and approach to addressing climate-related issues, while understanding that the type of information, the way in which it is presented, and the accompanying notes will differ between organizations and will be subject to change over time.
- Climate-related impacts can occur over the short, medium, and long term. Organizations can experience chronic, gradual impacts (such as impacts due to shifting temperature patterns), as well as acute, abrupt disruptive impacts (such as impacts from flooding, drought, or sudden regulatory actions). An organization should provide information from the perspective of the potential impact of climate-related issues on value creation, taking into account and addressing the different time frames and types of impacts.
- Organizations should avoid generic or boilerplate disclosures that do not add value to users' understanding of issues. Furthermore, any proposed metrics should adequately describe or serve as a proxy for risk or performance and reflect how an organization manages the risk and opportunities.

[63] These principles are adapted from those included in the Enhanced Disclosure Task Force's "Enhancing the Risk Disclosures of Banks."

Principle 2: Disclosures should be specific and complete

- An organization's reporting should provide a thorough overview of its exposure to potential climate-related impacts; the potential nature and size of such impacts; the organization's governance, strategy, processes for managing climate-related risks, and performance with respect to managing climate-related risks and opportunities.
- To be sufficiently comprehensive, disclosures should contain historical and future-oriented information in order to allow users to evaluate their previous expectations relative to actual performance and assess possible future financial implications.
- For quantitative information, the disclosure should include an explanation of the definition and scope applied. For future-oriented data, this includes clarification of the key assumptions used. Forward-looking quantitative disclosure should align with data used by the organization for investment decision making and risk management.
- Any scenario analyses should be based on data or other information used by the organization for investment decision making and risk management. Where appropriate, the organization should also demonstrate the effect on selected risk metrics or exposures to changes in the key underlying methodologies and assumptions, both in qualitative and quantitative terms.

Principle 3: Disclosures should be clear, balanced, and understandable

- Disclosures should be written with the objective of communicating financial information that serves the needs of a range of financial sector users (e.g., investors, lenders, insurers, and others). This requires reporting at a level beyond compliance with minimum requirements. The disclosures should be sufficiently granular to inform sophisticated users, but should also provide concise information for those who are less specialized. Clear communication will allow users to identify key information efficiently.
- Disclosures should show an appropriate balance between qualitative and quantitative information and use text, numbers, and graphical presentations as appropriate.
- Fair and balanced narrative explanations should provide insight into the meaning of quantitative disclosures, including the changes or developments they portray over time. Furthermore, balanced narrative explanations require that risks as well as opportunities be portrayed in a manner that is free from bias.
- Disclosures should provide straightforward explanations of issues. Terms used in the disclosures should be explained or defined for a proper understanding by the users.

Principle 4: Disclosures should be consistent over time

- Disclosures should be consistent over time to enable users to understand the development and/or evolution of the impact of climate-related issues on the organization's business. Disclosures should be presented using consistent formats, language, and metrics from period to period to allow for inter-period comparisons. Presenting comparative information is preferred; however, in some situations it may be preferable to include a new disclosure even if comparative information cannot be prepared or restated.
- Changes in disclosures and related approaches or formats (e.g., due to shifting climate-related issues and evolution of risk practices, governance, measurement methodologies, or accounting practices) can be expected due to the relative immaturity of climate-related disclosures. Any such changes should be explained.

Principle 5: Disclosures should be comparable among organizations within a sector, industry, or portfolio

- Disclosures should allow for meaningful comparisons of strategy, business activities, risks, and performance across organizations and within sectors and jurisdictions.
- The level of detail provided in disclosures should enable comparison and benchmarking of risks across sectors and at the portfolio level, where appropriate.
- The placement of reporting would ideally be consistent across organizations—i.e., in financial filings—in order to facilitate easy access to the relevant information.

Principle 6: Disclosures should be reliable, verifiable, and objective

- Disclosures should provide high-quality reliable information. They should be accurate and neutral—i.e., free from bias.
- Future-oriented disclosures will inherently involve the organization's judgment (which should be adequately explained). To the extent possible, disclosures should be based on objective data and use best-in-class measurement methodologies, which would include common industry practice as it evolves.
- Disclosures should be defined, collected, recorded, and analyzed in such a way that the information reported is verifiable to ensure it is high quality. For future-oriented information, this means assumptions used can be traced back to their sources. This does not imply a requirement for independent external assurance; however, disclosures should be subject to internal governance processes that are the same or substantially similar to those used for financial reporting.

Principle 7: Disclosures should be provided on a timely basis

- Information should be delivered to users or updated in a timely manner using appropriate media on, at least, an annual basis within the mainstream financial report.
- Climate-related risks can result in disruptive events. In case of such events with a material financial impact, the organization should provide a timely update of climate-related disclosures as appropriate.

Reporters may encounter tension in the application of the fundamental principles set out above. For example, an organization may update a methodology to meet the comparability principle, which could then result in a conflict with the principle of consistency. Tension can also arise within a single principle. For example, Principle 6 states that disclosures should be verifiable, but assumptions made about future-oriented disclosures often require significant judgment by management that is difficult to verify. Such tensions are inevitable given the wide-ranging and sometimes competing needs of users and preparers of disclosures. Organizations should aim to find an appropriate balance of disclosures that reasonably satisfy the recommendations and principles while avoiding overwhelming users with unnecessary information.

Appendix 4: Select Disclosure Frameworks

To the extent there is corporate reporting of climate-related issues, it happens through a multitude of mandatory and voluntary schemes. Although a complete and comprehensive survey of existing schemes is beyond the scope of this report, the Task Force on Climate-related Financial Disclosures (TCFD or Task Force) considered a broad range of existing frameworks, both voluntary and mandatory. The tables in Appendix 4 outline select disclosure frameworks considered by the Task Force and describe a few key characteristics of each framework, including whether disclosures are mandatory or voluntary, what type of information is reported, who the target reporters and target audiences are, where the disclosed information is placed, and whether there are specified materiality standards.[64] These disclosure frameworks were chosen to illustrate the broad range of disclosure regimes around the world; the tables are broken out into disclosure frameworks sponsored by governments, stock exchanges, and non-governmental organizations (NGOs).

The information presented in the tables below (A4.1, A4.2, and A4.3) is based on information released by governments, stock exchanges, and standard setters and is supplemented by the United Nations Environment Programme (UNEP), "The Financial System We Need: Aligning the Financial System with Sustainable Development," October 2015, and the Organization for Economic Co-operation and Development (OECD), "Report to G20 Finance Ministers and Central Bank Governors," September 2015.

[64] These tables were originally included in the Task Force's Phase I Report and have been updated where appropriate.

Table A4.1

Select Disclosure Frameworks: Governments

Region: Framework	Target Reporter	Target Audience	Mandatory or Voluntary	Materiality Standard	Types of Climate-Related Information	Disclosure Location	External Assurance Required
Australia: National Greenhouse and Energy Reporting Act (2007)	Financial and non-financial firms that meet emissions or energy production or consumption thresholds	General public	Mandatory if thresholds are met	Based on emissions above a certain threshold	GHG emissions, energy consumption, and energy production	Report to government	Regulator may, by written notice to corporation, require an audit of its disclosures
European Union (EU): EU Directive 2014/95 regarding disclosure of non-financial and diversity information (2014)	Financial and non-financial firms that meet size criteria (i.e., have more than 500 employees)	Investors, consumers, and other stakeholders	Mandatory; applicable for the financial year starting on Jan. 1, 2017 or during the 2017 calendar year	None specified	Land use, water use, GHG emissions, use of materials, and energy use	Corporate financial report or separate report (published with financial report or on website six months after the balance sheet date and referenced in financial report)	Member States must require that statutory auditor checks whether the non-financial statement has been provided Member States may require independent assurance for information in non-financial statement
France: Article 173, Energy Transition Law (2015)	Listed financial and non-financial firms Additional requirements for institutional investors	Investors, general public	Mandatory	None specified	Risks related to climate change, consequences of climate change on the company's activities and use of goods and services it produces. Institutional investors: GHG emissions and contribution to goal of limiting global warming	Annual report and website	Mandatory review on the consistency of the disclosure by an independent third party, such as a statutory auditor
India: National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business (2011)	Financial and non-financial firms	Investors, general public	Voluntary	None specified	Significant risk, goals and targets for improving performance, materials, energy consumption, water, discharge of effluents, GHG emissions, and biodiversity	Not specified; companies may furnish a report or letter from owner/chief executive officer	Guidelines include third-party assurance as a "leadership indicator" of company's progress in implementing the principles

Table A4.1

Select Disclosure Frameworks: Governments *(continued)*

Region: Framework	Target Reporter	Target Audience	Mandatory or Voluntary	Materiality Standard	Types of Climate-Related Information	Disclosure Location	External Assurance Required
United Kingdom: Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013	Financial and non-financial firms that are "Quoted Companies," as defined by the Companies Act 2006	Investors / shareholders ("members of the company")	Mandatory	Information is material if its omission or misrepresentation could influence the economic decisions shareholders take on the basis of the annual report as a whole (section 5 of the UK FRC June 2014 Guidance on the Strategic Report)	The main trends and factors likely to affect the future development, performance, and position of the company's business, environmental matters (including the impact of the company's business on the environment), and GHG emissions	Strategic Report and Directors' Report	Not required, but statutory auditor must state in report on the company's annual accounts whether in the auditor's opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the accounts are prepared is consistent with those accounts
United States: NAICs, 2010 Insurer Climate Risk Disclosure Survey	Insurers meeting certain premium thresholds - $100M in 2015	Regulators	Mandatory if thresholds are met	None specified	General disclosures about climate change-related risk management and investment management	Survey sent to state regulators	Not specified
United States: SEC Guidance Regarding Disclosure Related to Climate Change	Financial and non-financial firms subject to Securities and Exchange Commission (SEC) reporting requirements	Investors	Mandatory	US securities law definition	Climate-related material risks and factors that can affect or have affected the company's financial condition, such as regulations, treaties and agreements, business trends, and physical impacts	Annual and other reports required to be filed with SEC	Depends on assurance requirements for information disclosed

Table A4.2

Select Disclosure Frameworks: Exchange Listing Requirements and Indices

Region: Framework	Target Reporter	Target Audience	Mandatory or Voluntary	Materiality Standard	Types of Climate-Related Information	Disclosure Location	External Assurance Required
Australia: Australia Securities Exchange Listing Requirement 4.10.3; Corporate Governance Principles and Recommendations (2014)	Listed financial and non-financial firms	Investors	Mandatory (comply or explain)	A real possibility that the risk in question could substantively impact the listed entity's ability to create or preserve value for security holders over the short, medium or long term	General disclosure of material environmental risks	Annual report must include either the corporate governance statement or company website link to the corporate governance statement on company's website	Not specified, may depend on assurance requirements for annual report
Brazil: Stock Exchange (BM&FBovespa) Recommendation of report or explain (2012)	Listed financial and non-financial firms	Investors, regulator	Voluntary (comply or explain)	Criteria explained in Reference Form (Annex 24) of the Instruction CVM nº 480/09	Social and environmental information including methodology used, if audited/reviewed by an independent entity, and link to information (i.e., webpage)	Discretion of company	Not specified
China: Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies (2006)	Listed financial and non-financial firms	Investors	Voluntary: social responsibilities Mandatory: pollutant discharge	None specified	Waste generation, resource consumption, and pollutants	Not specified	Not specified; companies shall allocate dedicated human resources for regular inspection of implementation of environmental protection policies
Singapore: Singapore Exchange Listing Rules 711A & 711B and Sustainability Reporting Guide (2016) ("Guide")	Listed financial and non-financial firms	Investors	Mandatory (comply or explain)	Guidance provided in the Guide, paragraphs 4.7-4.11	Material environmental, social, and governance factors, performance, targets, and related information specified in the Guide	Annual report or standalone report, disclosed through SGXNet reporting platform and company website	Not required

Table A4.2

Select Disclosure Frameworks: Exchange Listing Requirements and Indices *(continued)*

Region: Framework	Target Reporter	Target Audience	Mandatory or Voluntary	Materiality Standard	Types of Climate-Related Information	Disclosure Location	External Assurance Required
South Africa: Johannesburg Stock Exchange Listing Requirement Paragraph 8.63; King Code of Governance Principles (2009)	Listed financial and non-financial firms	Investors	Mandatory; (comply or explain)	None specified	General disclosure regarding sustainability performance	Annual report	Required
World, regional, and country-specific indices: S&P Dow Jones Indices Sustainability Index, Sample Questionnaires	Financial and non-financial firms	Investors	Voluntary	None specified	GHG emissions, SOx emissions, energy consumption, water, waste generation, environmental violations, electricity purchased, biodiversity, and mineral waste management	Nonpublic	Disclose whether external assurance was provided and whether it was pursuant to a recognized standard

Table A4.3

Select Disclosure Frameworks: Non-Governmental Organizations

Click for November 2018 Update

Framework	Target Reporter	Target Audience	Mandatory or Voluntary	Materiality Standard	Types of Climate-Related Information	Disclosure Location	External Assurance Required
Global: Asset Owners Disclosure Project 2017 Global Climate Risk Survey	Pension funds, insurers, sovereign wealth funds ≥$2bn AUM	Asset managers, investment industry, government	Voluntary	None specified	Information on whether climate change issues are integrated in investment policies, engagement efforts, portfolio emissions intensity for scope 1 emissions, climate change-related portfolio risk mitigation actions	Survey responses; respondents are asked whether responses may be made public	Disclose whether external assurance was provided
Global: CDP Annual Questionnaire (2016)	Financial and non-financial firms	Investors	Voluntary	None specified	Information on risk management procedures related to climate change risks and opportunities, energy use, and GHG emissions (Scope 1-3)	CDP database	Encouraged; information requested about verification and third party certification
Global: CDSB CDSB Framework for Reporting Environmental Information & Natural Capital	Financial and non-financial firms	Investors	Voluntary	Environmental information is material if (1) the environmental impacts or results it describes are, due to their size and nature, expected to have a significant positive or negative effect on the organization's current, past or future financial condition and operational results and its ability to execute its strategy or (2) omitting, misstating, or mis-interpreting it could influence decisions that users of mainstream reports make about the organization	Environmental policies, strategy, and targets, including the indicators, plans, and timelines used to assess performance; material environmental risks and opportunities affecting the organization; governance of environmental policies, strategy, and information; and quantitative and qualitative results on material sources of environmental impact	Annual reporting packages in which organizations are required to deliver their audited financial results under the corporate, compliance or securities laws of the country in which they operate	Not required, but disclose if assurance has been provided over whether reported environmental information is in conformance with the CDSB Framework

Table A4.3

Select Disclosure Frameworks: Non-Governmental Organizations *(continued)*

Click for November 2018 Update

Framework	Target Reporter	Target Audience	Mandatory or Voluntary	Materiality Standard	Types of Climate-Related Information	Disclosure Location	External Assurance Required
Global: CDSB Climate Change Reporting Framework, Ed. 1.1 (2012)	Financial and non-financial firms	Investors	Voluntary	Allow "investors to see major trends and significant events related to climate change that affect or have the potential to affect the company's financial condition and/or its ability to achieve its strategy"	The extent to which performance is affected by climate-related risks and opportunities; governance processes for addressing those effects; exposure to significant climate-related issues; strategy or plan to address the issues; and GHG emissions	Annual reporting packages in which organizations are required to deliver their audited financial results under the corporate, compliance or securities laws of the territory or territories in which they operate	Not required unless International Standards on Auditing 720 requires the auditor of financial statements to read information accompanying them to identify material inconsistencies between the audited financial statements and accompanying information
Global: GRESB Infrastructure Asset Assessment & Real Estate Assessment	Real estate asset/portfolio owners	Investors and industry stakeholders	Voluntary	None specified	Real estate sector-specific requirements related to fuel, energy, and water consumption and efficiencies as well as low-carbon products	Data collected through the GRESB Real Estate Assessment disclosed to participants themselves and: • for non-listed property funds and companies, to those of that company or fund's investors that are GRESB Investor Members; • for listed real estate companies, to all GRESB Investor Members that invest in listed real estate securities.	Not required, but disclose whether external assurance was provided
Global: GRI Sustainability Reporting Standards (2016)	Organizations of any size, type, sector, or geographic location	All stakeholders	Voluntary	Topics that reflect the reporting organization's significant economic, environmental, and social impacts or substantively influence the decisions of stakeholders	Materials, energy, water, biodiversity, emissions, effluents and waste, environmental compliance, and supplier environmental assessment	Stand-alone sustainability reports or annual reports or other published materials that include sustainability information	Not required, but advised

Table A4.3

Select Disclosure Frameworks: Non-Governmental Organizations *(continued)*

Click for November 2018 Update

Framework	Target Reporter	Target Audience	Mandatory or Voluntary	Materiality Standard	Types of Climate-Related Information	Disclosure Location	External Assurance Required
Global: IIGCC Oil & Gas (2010) Automotive (2009) Electric Utilities (2008)	Oil and gas industries Automotive industry Electrical utilities	Investors Investors Investors	Voluntary Voluntary Voluntary	None specified None specified None specified	GHG emissions and clean technologies data GHG emissions and clean technologies data GHG emissions and electricity production	Not specified Company's discretion Company's discretion	Not specified Not specified Disclose how GHG emissions information was verified
Global: IIRC International Integrated Reporting Framework (2013)	Public companies traded on international exchanges	Investors	Voluntary	Substantively affect the company's ability to create value over the short, medium, and long term	General challenges related to climate change, loss of ecosystems, and resource shortages	Standalone sustainability or integrated report	Not specified; discussion paper released on issues relating to assurance
Global: IPIECA Oil and gas industry guidance on voluntary sustainability reporting	Oil and gas industries	All stakeholders	Voluntary	Material sustainability issues are those that, in the view of company management and its external stakeholders, affect the company's performance or strategy and/or assessments or decisions about the company	Energy consumption	Sustainability reporting	Not required, but encouraged
Global: PRI Reporting Framework (2016)	Investors	Investors	Voluntary	None specified	Investor practices	Transparency report	Not specified
United States: SASB Conceptual Framework (2013) and SASB Standards (Various)	Public companies traded on US exchanges	Investors	Voluntary	A substantial likelihood that the disclosure of the omitted fact would have been viewed by the reasonable investor as having significantly altered the "total mix" of the information made available	Information on sustainability topics that are deemed material, standardized metrics tailored by industry	SEC filings	Depends on assurance requirements for information disclosed

Appendix 5: Glossary and Abbreviations

Glossary

BOARD OF DIRECTORS (or BOARD) refers to a body of elected or appointed members who jointly oversee the activities of a company or organization. Some countries use a two-tiered system where "board" refers to the "supervisory board" while "key executives" refers to the "management board."[65]

CLIMATE-RELATED OPPORTUNITY refers to the potential positive impacts related to climate change on an organization. Efforts to mitigate and adapt to climate change can produce opportunities for organizations, such as through resource efficiency and cost savings, the adoption and utilization of low-emission energy sources, the development of new products and services, and building resilience along the supply chain. Climate-related opportunities will vary depending on the region, market, and industry in which an organization operates.

CLIMATE-RELATED RISK refers to the potential negative impacts of climate change on an organization. Physical risks emanating from climate change can be event-driven (acute) such as increased severity of extreme weather events (e.g., cyclones, droughts, floods, and fires). They can also relate to longer-term shifts (chronic) in precipitation and temperature and increased variability in weather patterns (e.g., sea level rise). Climate-related risks can also be associated with the transition to a lower-carbon global economy, the most common of which relate to policy and legal actions, technology changes, market responses, and reputational considerations.

FINANCIAL FILINGS refer to the annual reporting packages in which organizations are required to deliver their audited financial results under the corporate, compliance, or securities laws of the jurisdictions in which they operate. While reporting requirements differ internationally, financial filings generally contain financial statements and other information such as governance statements and management commentary.[66]

FINANCIAL PLANNING refers to an organization's consideration of how it will achieve and fund its objectives and strategic goals. The process of financial planning allows organizations to assess future financial positions and determine how resources can be utilized in pursuit of short- and long-term objectives. As part of financial planning, organizations often create "financial plans" that outline the specific actions, assets, and resources (including capital) necessary to achieve these objectives over a 1-5 year period. However, financial planning is broader than the development of a financial plan as it includes long-term capital allocation and other considerations that may extend beyond the typical 3-5 year financial plan (e.g., investment, research and development, manufacturing, and markets).

GOVERNANCE refers to "the system by which an organization is directed and controlled in the interests of shareholders and other stakeholders."[67] "Governance involves a set of relationships between an organization's management, its board, its shareholders, and other stakeholders. Governance provides the structure and processes through which the objectives of the organization are set, progress against performance is monitored, and results are evaluated."[68]

[65] OECD, *G20/OECD Principles of Corporate Governance,* OECD Publishing, Paris, 2015.
[66] Based on Climate Disclosure Standards Board, "CDSB Framework for Reporting Environmental Information and Natural Capital," June 2015.
[67] A. Cadbury, *Report of the Committee on the Financial Aspects of Corporate Governance*, London, 1992.
[68] OECD, *G20/OECD Principles of Corporate Governance*, OECD Publishing, Paris, 2015.

GREENHOUSE GAS (GHG) EMISSIONS SCOPE LEVELS[69]

- **Scope 1** refers to all direct GHG emissions.
- **Scope 2** refers to indirect GHG emissions from consumption of purchased electricity, heat, or steam.
- **Scope 3** refers to other indirect emissions not covered in Scope 2 that occur in the value chain of the reporting company, including both upstream and downstream emissions. Scope 3 emissions could include: the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities (e.g., transmission and distribution losses), outsourced activities, and waste disposal.[70]

INTERNAL CARBON PRICE is an internally developed estimated cost of carbon emissions. Internal carbon pricing can be used as a planning tool to help identify revenue opportunities and risks, as an incentive to drive energy efficiencies to reduce costs, and to guide capital investment decisions.

MANAGEMENT refers to those positions an organization views as executive or senior management positions and that are generally separate from the board.

NATIONALLY DETERMINED CONTRIBUTION (NDC) refers to the post-2020 actions that a country intends to take under the international climate agreement adopted in Paris.

ORGANIZATION refers to the group, company, or companies, and other entities for which consolidated financial statements are prepared, including subsidiaries and jointly controlled entities.

PUBLICLY AVAILABLE 2°C SCENARIO refers to a 2°C scenario that is (1) used/referenced and issued by an independent body; (2) wherever possible, supported by publicly available datasets; (3) updated on a regular basis; and (4) linked to functional tools (e.g., visualizers, calculators, and mapping tools) that can be applied by organizations. 2°C scenarios that presently meet these criteria include: IEA 2DS, IEA 450, Deep Decarbonization Pathways Project, and International Renewable Energy Agency.

RISK MANAGEMENT refers to a set of processes that are carried out by an organization's board and management to support the achievement of the organization's objectives by addressing its risks and managing the combined potential impact of those risks.

SCENARIO ANALYSIS is a process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty. In the case of climate change, for example, scenarios allow an organization to explore and develop an understanding of how the physical and transition risks of climate change may impact its businesses, strategies, and financial performance over time.

SECTOR refers to a segment of organizations performing similar business activities in an economy. A sector generally refers to a large segment of the economy or grouping of business types, while "industry" is used to describe more specific groupings of organizations within a sector.

STRATEGY refers to an organization's desired future state. An organization's strategy establishes a foundation against which it can monitor and measure its progress in reaching that desired state. Strategy formulation generally involves establishing the purpose and scope of the

A
Introduction

B
Climate-Related Risks, Opportunities, and Financial Impacts

C
Recommendations and Guidance

D
Scenario Analysis and Climate-Related Issues

E
Key Issues Considered and Areas for Further Work

F
Conclusion

Appendices

[69] World Resources Institute and World Business Council for Sustainable Development, *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition),* March 2004.
[70] IPCC, *Climate Change 2014 Mitigation of Climate Change,* Cambridge University Press, 2014.

organization's activities and the nature of its businesses, taking into account the risks and opportunities it faces and the environment in which it operates.

SUSTAINABILITY REPORT is an organizational report that gives information about economic, environmental, social, and governance performance and impacts. For companies and organizations, sustainability —the ability to be long-lasting or permanent—is based on performance and impacts in these four key areas.

VALUE CHAIN refers to the upstream and downstream life cycle of a product, process, or service, including material sourcing, production, consumption, and disposal/recycling. Upstream activities include operations that relate to the initial stages of producing a good or service (e.g., material sourcing, material processing, supplier activities). Downstream activities include operations that relate to processing the materials into a finished product and delivering it to the end user (e.g., transportation, distribution, and consumption).

Abbreviations

2°C —2° Celsius

ASC—Accounting Standards Codification

BNEF—Bloomberg New Energy Finance

CDSB—Climate Disclosure Standards Board

ERM—Environmental Resources Management

EU—European Union

FASB—Financial Accounting Standards Board

FSB—Financial Stability Board

G20—Group of 20

GHG—Greenhouse gas

GICS—Global Industry Classification Standard

GRI—Global Reporting Initiative

IAS—International Accounting Standard

IASB—International Accounting Standards Board

IEA—International Energy Agency

IIGCC—Institutional Investors Group on Climate Change

IIRC—International Integrated Reporting Council

IPCC—Intergovernmental Panel on Climate Change

NGO—Non-governmental organization

OECD—Organization for Economic Co-operation and Development

R&D—Research and development

SASB—Sustainability Accounting Standards Board

TCFD—Task Force on Climate-related Financial Disclosures

UN—United Nations

UNEP—United Nations Environment Programme

USDE—U.S. Dollar Equivalent

WRI—World Resources Institute

Appendix 6: References

"Communiqué from the G20 Finance Ministers and Central Bank Governors Meeting in Washington, D.C. April 16-17, 2015." April 2015. www.g20.org.tr/wp-content/uploads/2015/04/April-G20-FMCBG-Communique-Final.pdf.

Cadbury, A. *Report of the Committee on the Financial Aspects of Corporate Governance.* London, 1992. www.ecgi.org/codes/documents/cadbury.pdf.

Carney, Mark. "Breaking the tragedy of the horizon—climate change and financial stability." September 29, 2015. www.bankofengland.co.uk/publications/Pages/speeches/2015/844.aspx.

Ceres. "Power Forward 3.0: How the largest US companies are capturing business value while addressing climate change." 2017. https://www.worldwildlife.org/publications/power-forward-3-0-how-the-largest-us-companies-are-capturing-business-value-while-addressing-climate-change.

Climate Disclosure Standards Board (CDSB). "CDSB Framework for Reporting Environmental Information and Natural Capital." June 2015. www.cdsb.net/sites/cdsbnet/files/cdsb_framework_for_reporting_environmental_information_natural_capital.pdf.

Economist Intelligence Unit. "The Cost of Inaction: Recognising the Value at Risk from Climate Change." 2015. https://www.eiuperspectives.economist.com/sustainability/cost-inaction.

Enhanced Disclosure Task Force. *Enhancing the Risk Disclosures of Banks.* October 2012. www.fsb.org/wp-content/uploads/r_121029.pdf.

Environmental Protection Agency Victoria (EPA Victoria). "Resource Efficiency Case Studies, Lower your impact." www.epa.vic.gov.au/business-and-industry/lower-your-impact/resource-efficiency/case-studies.

Fellow, Avery. "Investors Demand Climate Risk Disclosure." *Bloomberg,* February 2013. www.bloomberg.com/news/2013-02-25/investors-demand-climate-risk-disclosure-in-2013-proxies.html.

Frankfurt School-United Nations Environmental Programme Centre and Bloomberg New Energy Finance. "Global Trends in Renewable Energy Investment 2017." 2017. fs-unep-centre.org/sites/default/files/publications/globaltrendsinrenewableenergyinvestment2017.pdf.

Fricko, Oliver et. al. *Energy sector water use implications of a 2° C climate policy.* Environmental Research Letters, 11: 1-10, 2016. www.cd-links.org/wp-content/uploads/2016/06/Fricko-et-al-2016.pdf.

FSB. "FSB to establish Task Force on Climate-related Financial Disclosures." December 4, 2015. www.fsb-tcfd.org/wp-content/uploads/2016/01/12-4-2015-Climate-change-task-force-press-release.pdf.

FSB. "Proposal for a Disclosure Task Force on Climate-Related Risks." November 9, 2015. www.fsb.org/wp-content/uploads/Disclosure-task-force-on-climate-related-risks.pdf.

G20 Green Finance Study Group. *G20 Green Finance Synthesis Report.* 2016. unepinquiry.org/wp-content/uploads/2016/09/Synthesis_Report_Full_EN.pdf.

Ganci, N., S. Hammer, T. Reilly, and P. Rodel. *Environmental and Climate Change Disclosure under the Securities Laws: A Multijurisdictional Survey.* Debevoise & Plimpton, March 2016. www.debevoise.com/insights/publications/2016/03/environmental-and-climate-change-disclosure.

Greenhouse Gas Protocol. "Calculation Tools, FAQ." ghgprotocol.org/calculationg-tools-faq.

Intergovernmental Panel on Climate Change (IPCC). *Fifth Assessment Report (AR5),* Cambridge University Press, 2014. http://www.ipcc.ch/report/ar5/.

IPCC. *Climate Change 2014 Mitigation of Climate Change.* Cambridge University Press, 2014.

International Energy Agency (IEA). "Global energy investment down 8% in 2015 with flows signaling move towards cleaner energy." September 14, 2016. www.iea.org/newsroom/news/2016/september/global-energy-investment-down-8-in-2015-with-flows-signalling-move-towards-clean.html.

IEA. *World Energy Outlook Special Briefing for COP21*. 2015. www.iea.org/media/news/WEO_INDC_Paper_Final_WEB.PDF.

Maack, J. *Scenario Analysis: A Tool for Task Managers.* Social Analysis: selected tools and techniques, Social Development Papers, Number 36, the World Bank, June 2001, Washington, DC. siteresources.worldbank.org/INTPSIA/Resources/ 490023-1121114603600/13053_scenarioanalysis.pdf.

Mercer LLC. *Investing in a Time of Climate Change.* 2015. www.mercer.com/our-thinking/investing-in-a-time-of-climate-change.html.

Organization for Economic Co-operation and Development (OECD) and Climate Disclosure Standards Board (CDSB). *Climate Change Disclosure in G20 Countries: Stocktaking of Corporate Reporting Schemes.* November 18, 2015. www.oecd.org/investment/corporate-climate-change-disclosure-report.htm.

OECD. *G20/OECD Principles of Corporate Governance*. OECD Publishing, Paris, 2015. dx.doi.org/10.1787/9789264236882-en.

Pearce, David W. and R. Kerry Turner. "Economics of Natural Resources and the Environment." Johns Hopkins University Press. 1989. ISBN 978-0801839870.

Rounsevell, Mark D. A. and Marc J Metzger. *Developing qualitative scenario storylines for environmental change assessment.* WIREs Climate Change 2010, 1: 606-619. doi: 10.1002/wcc.63, 2010. wires.wiley.com/WileyCDA/WiresArticle/wisId-WCC63.html.

Seley, Peter. "Emerging Trends in Climate Change Litigation." *Law 360.* March 7, 2016. www.law360.com/articles/766214/emerging-trends-in-climate-change-litigation.

Sustainability Accounting Standards Board (SASB). *SASB Climate Risk Technical Bulletin#: TB001-10182016.* October, 2016. library.sasb.org/climate-risk-technical-bulletin.

Task Force on Climate-related Financial Disclosures. *Phase I Report of the Task Force on Climate-related Financial Disclosures.* March 31, 2016. www.fsb-tcfd.org/wp-content/uploads/2016/03/Phase_I_Report_v15.pdf.

United Nations Environment Programme (UNEP). *The Financial System We Need: Aligning the Financial System with Sustainable Development.* 2015. http://unepinquiry.org/wp-content/uploads/2015/11/The_Financial_System_We_Need_EN.pdf.

UNEP and Copenhagen Centre for Energy Efficiency. *Best Practices and Case Studies for Industrial Energy Efficiency Improvement.* February 16, 2016. www.energyefficiencycentre.org/Nyheder/Nyhed?id=b2bedb2b-05a3-444f-ae5e-55ee3c8f1a68.

United Nations Framework Convention on Climate Change. "The Paris Agreement," December 2015. unfccc.int/files/essential_background/convention/application/pdf/english_paris_agreement.pdf.

World Business Council for Sustainable Development. "Sustainability and enterprise risk management: The first step towards integration." January 18, 2017. www.wbcsd.org/contentwbc/download/2548/31131.

World Resources Institute and World Business Council for Sustainable Development. *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard,* (Revised Edition). March 2004. www.ghgprotocol.org/standards/corporate-standard.

Exhibit O

Finance is leaving thermal coal

To date, over 100 and counting globally significant banks and insurers / reinsurers with assets under management (AUM) or loans outstanding larger than US$10 billion have announced their divestment from coal mining and/or coal-fired power plants.

When significant investors act, global momentum increases. The question now is, who's next?

See other divestment efforts:

- **Asset managers leaving coal**
- **Banks, asset managers and insurers leaving oil, LNG and gas**

View progress to date

Mandarin version (中文)

The coal industry is in terminal decline

The large impact we foresaw from the market disappearing, we always saw as out there in the future. Well, the future is now.

Guillermo Fonseca, CEO of Cerrejon

Got a tip? Please contact us

Show 156 **entries**

Search:

Global Financial Institution	Type	Country and/or Headquarters	Coal Finance Restrictions	Restrictions Introduced	Latest Restriction
ABN Amro	Bank	Netherlands	Both coal mining and coal-fired power plants		2017-05
ABSA	Bank	South Africa	Will not fund new coal-fired electricity generation unless under extenuating circumstances		2020-04
Achmea	Insurer / Reinsurer	Netherlands	>30% of the revenue		2020-06
Aegon N.V.	Insurer / Reinsurer	Netherlands	Substantially ceased coal insurance and divested coal assets	2016-05	2020-01
African Development Bank Group (AfDB)	Multilateral Development Bank	Côte d'Ivoire			2019-09
AG2R La Mondiale	Insurer / Reinsurer	France	Substantially ceased coal insurance and divested coal assets	2018-07	2020-03
Ageas	Insurer / Reinsurer	Belgium	No new investment in thermal coal	2019-12	2020-02
Agence Française de Développement (AFD)	Multinational Development Bank	France	Reducing total fossil fuel exposure	2014	2019
AIA	Insurer / Reinsurer	Asia Pacific	Divesting all directly managed equity and fixed income exposure to coal mining and coal-fired power businesses by end of 2021 for equity and 2028 for fixed income; and not permitting any new investments within businesses involved directly in mining coal or generating electricity from coal.		2021-03
Allianz	Insurer / Reinsurer	Germany	Substantially ceased coal insurance and divested coal assets. From 2023 will no longer provide property and casualty insurance to coal companies above 25%.	2015-11	2021-05
ANZ (Australia and New Zealand Banking Group)	Bank	Australia	Will not finance new builds of conventional coal-fired power plants	2019-12	2020-10
Asian Infrastructure Investment Bank (AIIB)	Multilateral Development Bank	China			2017-01
Autriche Oesterreichische Kontrollbank AG (OeKB)	Export Credit Agency	Austria	Excludes coal power unless Ultra Super Critical with emissions <750g CO_2/kWh	2015	2017-10
Aviva	Insurer / Reinsurer	UK	Substantially ceased coal insurance and divested coal assets	2015-07	2017
AXA	Insurer / Reinsurer	France	Fully phasing out coal by 2030 in EU and OECD countries and by 2040 elsewhere	2015-05	2019-11
AXIS Capital	Insurer / Reinsurer	Bermuda			2019-10
Bâloise Holding	Insurer / Reinsurer	Switzerland	Issuers with coal sales > 30%		2019-12
Banco Bilbao Vizcaya Argentaria (BBVA)	Bank	Spain	Both coal mining and coal-fired power plants	2018-02	2019-03
Banco Nacional de Desenvolvimento Econômico e Social (Brazilian Development Bank) (BNDES)	Development Finance Institution	Brazil			2016-10
Banco National de Comercio Exterior	Export Credit Agency	Mexico	Excludes coal power unless Ultra Super Critical with emissions <750g CO_2/kWh	2015	2017-10

Global Financial Institution	Type	Country and/or Headquarters	Coal Finance Restrictions	Restrictions Introduced	Latest Restriction
Banco Santander	Bank	Spain	By 2030, will have stopped providing financial services to power generation clients with >10% revenues dependent on thermal coal, and will eliminate all exposure to thermal coal mining worldwide.	2018-11	2021-02
Bank J. Safra Sarasin	Bank	Switzerland			2017
Banque de France (BdF)	Central Bank	France	Planning to exit the coal sector by 2024. This exclusion only applies to Banque de France's "own funds" and pension fund.	2018-03	2021-01
Barclays	Bank	UK	Both coal mining and coal-fired power plants	2018-04	2020-04
Bayerische Landesbank (BayernLB)	Bank	Germany	Exclude financing for the construction of new coal-fired power plants		2020-05
Belfius Bank	Bank / Insurer	Belgium	Does not finance companies that are active in the extraction of coal		2019-12
BNP Paribas	Bank	France	Both coal mining and coal-fired power plants	2015-05	2020-05
Bpifrance Assurance Export	Export Credit Agency	France	Excludes coal power unless Ultra Super Critical with emissions <750g CO_2/kWh	2015	2017-10
CaixaBank	Bank	Spain	Will assume no credit risk in new projects which has exposure in coal: new mines or expansion of existing mines. Will assume no credit risk in new long-term transactions or arrangements requested by companies with the following characteristics: Companies at which coal extraction accounts for over 40% of their consolidated revenue.		2019-02
California State Compensation Insurance Fund	Insurer / Reinsurer	U.S.	Substantially ceased coal insurance and divested coal assets		2017-06
Cathay Financial Holdings 國泰金控	Bank	Taiwan	Cathay United Bank will no longer provide loans to any coal-fired power plants. Cathay Life Insurance's investment and lending exclusion list now includes coal-fired power plants that are not actively transitioning to renewable energy.	2020-08	2020-08
Chubb Insurance	Insurer / Reinsurer	U.S.	Substantially ceased coal insurance and divested coal assets		2019-07
CIMB	Bank	Malaysia	Phasing out coal from its portfolio by 2040		2020-12
Citi	Bank	U.S.	No project-related financing for new thermal coal mines or expansions of existing mines. By 2030, a plan to phase out financing for companies deriving ≥25% of their revenue from thermal coal mining, with interim targets. No project-related financing for new coal-fired power plants or expansions of existing plants.	2015-10	2020-07
CNP Assurances	Insurer / Reinsurer	France	Will exit thermal coal by 2030 in EU and OECD countries, and by 2040 in the rest of the world	2018	2020-02
Commerzbank	Bank	Germany	Both coal mining and coal-fired power plants		2018-03
Commonwealth Bank of Australia	Bank	Australia	Zero thermal coal exposure by 2030		2019-08
Compañía Española de Seguros de Crédito a la Exportación (CESCE)	Export Credit Agency	Spain	Excludes coal power unless Ultra Super Critical with emissions <750g CO_2/kWh	2015	2017-10

Global Financial Institution	Type	Country and/or Headquarters	Coal Finance Restrictions	Restrictions Introduced	Latest Restriction
Crédit Agricole Group	Bank	France	Both coal mining and coal-fired power plants	2015-03	2020-10
Credit Suisse	Bank	Switzerland	Excluding thermal coal mining and new coal-fired power plants	2017-03	2020-07
Danske Bank Group	Bank	Denmark	Restrictions on companies getting revenue from tar sands and thermal coal extraction and generation	2020-01	2021-03
DB Insurance	Insurer / Reinsurer	South Korea	Stopping coal project financing		2019-12
DBS Bank	Bank	Singapore	Both coal mining and coal-fired power plants	2018-01	2021-04
Desjardins Group	Bank	Canada	Will not invest in, or provide finance to companies that operate or develop coal mines; that build, extend or renovate coal mines, power plants or infrastructure; or that have greater than 10%, or 5 GW, installed coal power generation capacity		2020-12
Deutsche Bank	Bank	Germany	Both coal mining and coal-fired power plants	2017-01	2020-07
Deutsche Investitions- und Entwicklungsgesellschaft (DEG) - a subsidiary of KfW	Development Finance Institution	Germany		2016-05	2020-11
DnB ASA	Bank	Norway			2016-08
DZ Bank	Bank	Germany	Excluding coal-fired power plants only	2017-03	2017-11
Eksport Kredit Fonden (EKF)	Export Credit Agency	Denmark	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh		2017-10
Erste Group Bank AG	Bank	Austria	Progressively reducing financing for thermal coal mining and power generation sectors to achieve net zero by 2030		2021-03
Euler Hermes Aktiengesellschaft	Export Credit Agency	Germany	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2017-10
European Bank for Reconstruction and Development (EBRD)	Multilateral Development Bank	UK			2018-12
European Investment Bank (EIB)	Multilateral Development Bank	European Union	No longer considering new financing for unabated, fossil fuel energy projects, including gas, from the end of 2021 onwards	2013-07	2019-11
Export Development Canada (EDC)	Export Credit Agency	Canada	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2019
Export Finance and Insurance Corporation (Efic)	Export Credit Agency	Australia	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2017-10
Export-Import Bank of the United States (Ex-Im Bank)	Export Credit Agency	U.S.	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2017-10
Finnvera	Export Credit Agency	Finland			2017-10
FirstRand	Bank	South Africa			2019-08
FMO	Development Finance Institution	Netherlands	Within 5 years, will phase out direct investments in integrated mid/down-stream fossil fuel activities for power generation	2020-11	2021-06
Folksam Group	Insurer / Reinsurer	Sweden	Reduced exposure to energy sector within its international equity portfolio by around 50%.	2019-05	2021-01

Global Financial Institution	Type	Country and/or Headquarters	Coal Finance Restrictions	Restrictions Introduced	Latest Restriction
Generali Group	Insurer/Reinsurer	Italy	By 2030, will phase out issuers operating in the thermal coal sector in OECD countries, and 2040 in the rest of the world	2018-11	2021-06
Groupe des Assurances Mutuelles Agricoles (Groupama)	Insurer / Reinsurer	France	Substantially ceased coal insurance and divested coal assets		2018
Hana Financial Group	Bank	South Korea	Halting financing for projects related to building coal-fired power plants at home and abroad. Plans to be carbon neutral by 2050		2021-03
Hannover Re / Talanx Group	Insurer / Reinsurer	Germany	Substantially ceased coal insurance and divested coal assets	2018-06	2019-04
Hanwha Group	Insurer / Reinsurer	South Korea	Six financial divisions will not fund the construction of any coal-fired power plants, nor will they underwrite bonds issued by special purpose companies (SPCs) that have been established to build coal-powered plants locally or abroad, and will not underwrite general bonds that would finance the construction of coal-fired plants		2021-01
HSBC Holdings	Bank	UK	No new project financing of arctic oil and gas and no new Greenfield oil sands projects.	2016-10	2020-04
Hyundai Marine & Fire Insurance	Insurer / Reinsurer	South Korea	Will stop underwriting coal power projects		2021-06
IAG	Insurer / Reinsurer	Australia	Ceasing underwriting entities predominately in the business of extracting fossil fuels and power generation using fossil fuels by 2023		2019-11
Ilmarinen (Keskinäinen Eläkevakuutusyhtiö Ilmarinen)	Insurer / Reinsurer	Finland	Excluding thermal coal mining only	2016	2020-02
ING Group	Bank	Netherlands	Both coal mining and coal-fired power plants	2015-11	2017-12
Inter-American Development Bank (IDB)	Bank	US			2020-09
Intesa Sanpaolo S.p.A.	Bank	Italy	Will not grant new loans for investments in coal-mining projects or the construction of coal-fired plants.		2020-05
Investec	Bank	South Africa	86% of its energy book is low emissions. Committed to the Paris Agreement, and to public transparency in annual reporting.		2020-03
Japan Bank for International Cooperation (JBIC)	Export Credit Agency / Bank	Japan	Will stop funding new coal-fired power plant projects overseas	2020-04	2021-03
JPMorgan Chase & Co	Bank	U.S.	Will not refinance loans on existing coal plants or provide money or advice to companies making most of their revenue from coal. Existing loans would b		2020-02
KB Financial Group	Bank	South Korea	Halting financing construction of coal-fired power plants		2020-09
KBC Group	Bank	Belgium	From 1 April 2021, mandatory transition plan for coal firms and coal-fired power stations. From 1 January 2021, mining companies that extract coal excluded from all investment funds, as are utilities deriving >25% of energy production from coal	2017-09	2021-02
Korea Development Bank (KDB)	Bank	South Korea			2021-04

Global Financial Institution	Type	Country and/or Headquarters	Coal Finance Restrictions	Restrictions Introduced	Latest Restriction
Korea Trade Insurance Corporation (K-SURE)	Export Credit Agency	South Korea	Excludes coal power unless Ultra Super Critical with emissions <750g CO_2/kWh	2015	2017-10
Korporacja Ubezpieczén Kredytów Eksportowych (KUKE)	Export Credit Agency	Poland	Excludes coal power unless Ultra Super Critical with emissions <750g CO_2/kWh	2015	2017-10
Kyobo Life Insurance Co., Ltd.	Insurer / Reinsurer	South Korea			2021-06
Landesbank Baden-Württemberg (LBBW)	Bank	Germany	No financing of projects that are run by energy suppliers for the purpose of building new or expanding existing coal-fired power plants or to mining companies for the purpose of constructing new coal mines or expanding existing coal mines.		2019-03
Länsförsäkringar AB	Insurer / Reinsurer	Sweden	Excluding mining companies with >5% of sales from coal; and 5% of turnover from incineration coal with exception of companies that have restructured operations		2020-10
Liberty Mutual	Insurer / Reinsurer	U.S.			2019-12
Lloyd's	Insurer / Reinsurer	UK			2017-11
Lloyds Banking Group	Bank	UK	Both coal mining and coal-fired power plants. Also applying a 1.5C-aligned target to its loan book.	2018-08	2020-01
Malayan Banking Berhad (Maybank)	Bank	Malaysia	Will no longer finance new coal activities as part of a five-year strategy		2021-05
Manulife Financial Corporation (John Hancock)	Insurer / Reinsurer	Canada			2020-12
MAPFRE	Insurer / Reinsurer	Spain	Ended underwriting new coal projects and investing in coal companies but has not divested from sector	2019-03	2021-03
Markel Corporation (MKL)	Insurer / Reinsurer	U.S.	Substantially ceased coal insurance and divested coal assets		2017
MetLife	Insurer / Reinsurer	U.S.	No new investments in miners or utilities deriving 25% or more of their revenue from thermal coal		2020-07
Mitsubishi UFJ Financial Group (MUFG)	Bank	Japan	Both coal mining and coal-fired power plants	2019-07	2021-04
Mizuho Financial Group	Bank	Japan	Stopping financing new coal power projects and will end all loans for coal by 2050	2019-05	2020-04
Morgan Stanley	Bank	U.S.	Prohibits direct finance for new or expanded coal-fired power plants. Prohibits direct finance for new thermal coal mines, and commits to phasing out financing for significant thermal coal mining companies that do not have a diversification strategy. Prohibits direct finance for new oil and gas exploration and development in the Arctic.	2015-11	2020-04
Munich Reinsurance Company (Munich Re)	Insurer / Reinsurer	Germany	Substantially ceased coal insurance and divested coal assets		2018-08
National Australia Bank (NAB)	Bank	Australia	Excluding thermal coal mining only		2017-12

Global Financial Institution	Type	Country and/or Headquarters	Coal Finance Restrictions	Restrictions Introduced	Latest Restriction
Natixis	Insurer / Reinsurer and Bank	France	Withdrawal from shale oil and gas. Completely exit thermal coal industry by 2030 for countries in EU and OECD, and 2040 for rest of the world. Will no longer support companies that develop new capacity in coal-powered electricity generation or thermal coal mining.	2015-10	2020-05
Natwest Group (previously Royal Bank of Scotland (RBS))	Bank	UK	Both coal mining and coal-fired power plants	2018-05	2020-02
Nedbank	Bank / Asset Management	South Africa	Will stop funding new thermal coal mines by 2025	2018-04	2021-04
NN Group of Netherlands	Insurer / Reinsurer	Netherlands	Substantially ceased coal insurance and divested coal assets		2019-05
NongHyup Financial Group	Bank	South Korea	Will stop coal investments		2021-02
Norddeutsche Landesbank Girozentrale (NORD/LB)	Bank	Germany	Excludes the possibility of financing the construction of nuclear power plants and conventional coal-fired power plants.		2018
Nordea	Bank	Finland			2015-11
Nordic Investment Bank (NIB)	Multilateral Development Bank	Finland			2017-11
Norwegian Export Credit Guarantee Agency (Garantiinstituttet for eksportkreditt (GIEK))	Export Credit Agency	Norway			2017-10
OCBC Bank	Bank	Singapore	Excluding coal-fired power plants only		2019-04
PNC University Banking (PNC)	Bank	U.S.	Excluding coal-fired power plants only		2017-03
Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna (PKO Bank Polski)	Bank	Poland	Commitment to progressively reduce exposure to coal mining and coal power	2019-04	2020-09
Prudential Plc	Insurer / Reinsurer	UK	Has a coal exit policy as part of its net zero emissions by 2050 pledge, with an interim target for a 25% reduction in carbon emissions of all shareholder and policyholder assets by 2025		2021-05
QBE	Insurer / Reinsurer	Australia	By 2030, will have exited all support for the thermal coal industry.	2019-03	2021-02
Rabobank	Bank	Netherlands	Both coal mining and coal-fired power plants		2017-01
Resona Holdings	Bank	Japan	Will not provide project financing for new coal power plants		2019
RHB Bank Bhd	Bank	Malaysia	By 2022, will exit coal financing		2021-06
RSA Insurance Group	Insurer / Reinsurer	UK	No new investments in companies generating >30% revenue from coal mining or power generation from thermal coal		2020-01
Samsung Life Insurance	Insurer / Reinsurer	South Korea	Will stop any new coal-related business, including investment, construction, and trading. Ongoing projects will be gradually closed or withdrawn from. Can still invest in a firm generating < 50% of revenue from thermal coal power projects		2020-10

Global Financial Institution	Type	Country and/or Headquarters	Coal Finance Restrictions	Restrictions Introduced	Latest Restriction
SCOR Global Life (SCOR)	Insurer / Reinsurer	France	Substantially ceased coal insurance and divested coal assets		2017-09
Servizi Assicurativi del Commercio Estero (SACE)	Export Credit Agency	Italy	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2017-10
Shinhan Financial Group Co., Ltd	Bank	South Korea	Will reduce its investment in the coal industry and committed to net zero carbon future		2020-10
Skandinaviska Enskilda Banken AB (SEB)	Bank	Sweden	Excluding coal-fired power plants only		2015-11
Société Générale (SocGen)	Bank	France	Both coal mining and coal-fired power plants	2015-05	2020-07
Standard Bank of South Africa	Bank	South Africa	Excluding coal-fired power plants only	2018-09	2020-03
Standard Chartered	Bank	UK	Both coal mining and coal-fired power plants	2016-05	2019-12
Sumitomo Mitsui Banking Corporation (SMBC), a subsidiary of Sumitomo Mitsui Financial Group (SMFG)	Bank	Japan	Halting new financing for all coal-fired power plants, including ultra-supercritical (USC) power plants	2018-06	2021-05
Sumitomo Mitsui Trust Bank (SMTB)	Bank	Japan	Excluding coal-fired power plants only		2018-07
Suncorp	Insurer / Reinsurer	Australia	Zero thermal coal exposure by 2025		2019-07
Svensk Exportkredit (SEK)	Export Credit Agency	Sweden	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2017-10
Svenska Handelsbanken AB	Bank	Sweden			2018
Swedbank	Bank	Sweden	Excludes companies mining and producing coal to more than 5% of its turnover, and is not directly financing coal-fired power plants.		2018
Swiss Export Risk Insurance (SerV)	Export Credit Agency	Switzerland	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2017-10
Swiss Reinsurance Company (Swiss Re)	Insurer / Reinsurer	Switzerland	Plans to completely phase-out thermal coal from its treaty reinsurance by 2030 for OECD countries and 2040 for the rest of the world	2018-07	2021-03
The Export-Import Bank of Korea (KEXIM)	Export Credit Agency	South Korea	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2017-10
The Hanover	Insurer / Reinsurer	U.S.	Will cease new investments in many coal and tar sands companies and partly divest from these sectors by 2025		2021-03
The Hartford Financial Services Group	Insurer / Reinsurer	U.S.			2019-12
The Norinchukin Bank	Bank	Japan	Tightened policy for coal-fired thermal power generation sector		2020-07
Toho Bank	Bank	Japan	No new coal-fired power generation		2020-05
Türk Eximbank	Export Credit Agency	Turkey	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2017-10
U.S. Bancorp	Bank	U.S.	Both coal mining and coal-fired power plants		2017-04

Global Financial Institution	Type	Country and/or Headquarters	Coal Finance Restrictions	Restrictions Introduced	Latest Restriction
UBS Group	Bank	Switzerland	Over 40% cut in carbon-related assets on the balance sheet. Over 56% increase in core sustainable investments. No longer providing finance where stated use of proceeds is for new offshore oil projects in Arctic, greenfield thermal coal mines or greenfield oil sands projects. Enhanced due diligence for transactions directly related to liquefied natural gas and ultra-deepwater drilling.	2017-04	2020-03
UK Export Finance (UKEF)	Export Credit Agency	UK	Excludes coal power unless Ultra Super Critical with emissions <750g CO2/kWh	2015	2020-01
UniCredit	Bank	Italy	Halting all lending for thermal coal projects by 2023, and increasing exposure to renewable energy sector by a quarter.		2019-11
UNIQA Group	Insurer / Reinsurer	Austria	Substantially ceased coal insurance and divested coal assets		2019-03
United Overseas Bank (UOB)	Bank	Singapore	Excluding coal-fired power plants only		2019-04
Varma Mutual Pension Insurance Company (Varma)	Insurer / Reinsurer	Finland	Substantially ceased coal insurance and divested coal assets		2019-01
Vienna Insurance Group (VIG)	Insurer / Reinsurer	Austria	Substantially ceased coal insurance and divested coal assets		2019-02
Westpac	Bank	Australia	Both coal mining and coal-fired power plants. Has endorsed the Paris Agreement and an accelerated path to decarbonisation of coal mining and the power sector.	2017-04	2020-05
Woori Bank	Bank	South Korea	Stopping any new project financing or bond investment into establishing coal power plants and retrieving all capital invested in existing coal projects after maturity date.		2020-12
World Bank	Multilateral Development Bank	U.S.		2013	2020-09^
Zurich Insurance Group	Insurer / Reinsurer	Switzerland	Substantially ceased coal insurance and divested coal assets	2017-11	2019-06
MS&AD Holdings	Insurer / Reinsurer	Japan	Exiting underwriting and investment in new coal-fired power plants		2021-06
Yapi Kredi	Bank	Turkey	Will not finance new coal-fired thermal power plants and new coal mining projects with its updated policies		2021-06
Akbank	Bank	Turkey	Will no longer finance coal		2021-04

Showing 1 to 151 of 151 entries

Previous Next

Note

* Globally significant financial institutions are defined as banks and insurers / reinsurers with AUM>US$10billion.

Insurance companies divest coal investments across their asset portfolio and restrict the provision of insurance, while banks restrict lending and underwriting to coal companies or projects.

IEEFA will continue to monitor announcements and will add or delete institutions pending implementation of said announcements.

^ This policy was put forward by the IFC (International Finance Corporation). IFC is a subsidiary of the World Bank.

Exclusions

Significant financial institutions are restricted from this tally if they have AUM<US$10billion, and/or the institution's announcement has not been followed up with public disclosure, and/or the restrictions are selectively limited.

Those excluded include:

Japan International Cooperation Agency (JICA) and Nippon Export and Investment Insurance (NEXI) due to **flouting** the **OECD policy** it is following.

FMO has assets of US$10bn.

Macif & Oslo has AUM<US$10bn.

Goldman Sachs and **Wells Fargo** as their policies are weak.

Japanese insurers have had no divestment.

The Swiss Investment Fund for Emerging Markets (SIFEM) has AUM of only US$1bn.

Iceland's DFI as IEEFA is unable to find any information on size.

Bank Australia / Bendigo Bank have AUM<US$10bn.

A number of smaller **Export Credit Agencies** are not included: Belgium, Czechia, Greece, Hungary, Israel, Latvia, Luxembourg, Netherlands, New Zealand, Portugal, Slovak Republic, Slovenia and Sweden.

Exhibit P

Japan Center for a Sustainable Environment and Society (JACSES)
is a Non-Governmental Organization (NGO) conducting policy research and advocacy

Development and Aid

Press Release: Bondholders challenged JICA to Stop Supporting Coal Projects in Bangladesh and Indonesia

Contribution day：June 24, 2021

Press Release:
Bondholders challenged JICA to Stop Supporting Coal Projects in Bangladesh and Indonesia

Japan Center for a Sustainable Environment and Society (JACSES)
Kiko Network
Friends of the Earth Japan
350.org Japan
Mekong Watch
BankTrack
Anthropocene Fixed Income Institute (AFII)

On March 25, 29 organizations from 12 countries submitted a letter to 39 bond underwriters and bondholders of Japan International Cooperation Agency (JICA), requesting them to urge JICA to rule out support for the Matarbari coal-fired power plant Phase 2 project (hereinafter referred to as Matarbari 2) in Bangladesh and the Indramayu coal-fired power plant project (hereinafter referred to as Indramayu) in Indonesia. To date, 14 bondholders responded, of which 3 investors stated that they had conducted engagement with JICA and a bond index provider, and 1 stated that it would consider engaging with JICA in the future. Others provided simple acknowledgments that they received the letter.

About a month later in April, JICA announced the launch of its Global-Dollar bonds guaranteed by the Japanese government (*1) and non-guaranteed Domestic bonds (*2), and specifically stated that it will "not knowingly allocate any proceeds from the sale of the bonds to activities related to coal-fired power generation." When we contacted JICA staff on why such a specification was made, they said that it was because some bondholders contacted JICA on the topic of financing coal projects. This implies that JICA felt pressure from some of their bondholders' engagements and responded to their voices

However, in contrast to the impression the JICA's announcement gives, the funds procured from JICA bonds are deposited in its loan account, and the loans for Matarbari 2 and Indramayu will be contributed from the same account. Thus, the above statement is simply an allocation made by JICA itself.

In Bangladesh, JICA has already provided loans for the Matarbari coal-fired power plant Phase 1 project (hereinafter referred to as Matarbari 1) and a preparatory survey for the construction of Matarbari 2 is currently underway. In Indramayu, JICA continues to disburse loans for the engineering service, such as basic design, and is expected to provide a new loan for the main construction.

According to the "Net Zero by 2050, A Roadmap for the Global Energy Sector" report published by the International Energy Agency (IEA) on May 18, 2021, "CO2 emissions from electricity generation fall to zero in aggregate in advanced economies in the 2030s", and "in emerging market and developing economies around 2040" (*3). Therefore, supporting new fossil fuel-based power generation, such as Matarbari 2 and Indramayu, is inconsistent with the goals to achieve net-zero emissions by 2050.

JICA bonds are issued to contribute to the achievement of the Sustainable Development Goals (SDGs), being one of the Japanese Government's concrete measures to achieve the SDGs in the "SDGs Implementation Guiding Principles Revised Edition" (revised in December 2019). However, the above-mentioned two projects go against SDG Goal 13 (i.e. take urgent action to combat climate change and its impacts) and ignore SDG Goal 16 (i.e. to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels).

JICA's continued support for these two projects is undermining Bangladesh and Indonesia's efforts to transition to clean energy. In February 2021, the Bangladesh government decided to drop nine new coal-fired power plants, with a combined power capacity of 7,461 MW, due to rising costs of imported coal and a decrease in financial support from overseas investors (*4). At the same time, China's embassy to Bangladesh informed the local Ministry of Finance in a letter that "the Chinese side shall no longer consider projects with high pollution and high energy consumption, such as coal mining [and] coal-fired power stations (*5)." In Indonesia, JICA's support for Indramayu disregards the country's plans to stop building new coal-fired power plants after 2023 in order to meet its carbon-neutral goals (*6).

On June 13, 2021, the G7 leaders announced an agreement committing "to an end to new direct government support for unabated international thermal coal power generation by the end of 2021, including through Official Development Assistance, export finance, 14 investment, and financial and trade promotion support (*7).” Despite this, the Japanese government and JICA are still planning to support Matarbari 2 and Indramayu.

Yuki Tanabe, Program Director, Japan Center for a Sustainable Environment and Society (JACSES) says, “If JICA continues to support new coal-fired power, bondholders may consider excluding JICA from their investment/target of investment. In order to ensure funding into the future, the Japanese Government and JICA should state that it will not finance these two coal projects.”

Henrieke Butijn, Climate Campaigner, BankTrack comments, “It is good to see that some commercial banks have engaged with JICA on its possible involvement in the two coal-power projects in Bangladesh and Indonesia. However, if engagement fails and JICA does support these projects, banks must exclude JICA from loans and other financial services. The recent IEA *Net Zero by 2050* report again confirms that there is no room for new fossil fuel projects. Banks must take responsibility and ensure they do not finance companies that refuse to acknowledge this reality. Communities in Bangladesh and Indonesia deserve better.”

Ulf Erlandsson, Founder, Anthropocene Fixed Income Institute (AFII) added, “At the end of the day, JICA’s investors are financing coal, often in conflict with their own investment mandates. Going forward, investors must demand that JICA implement effective measures to prevent the allocation of bond proceeds to its coal assets, or refrain from supplying capital to JICA entirely.”

Footnotes:
*1: https://www.jica.go.jp/english/news/press/2021/20210421_30.html
*2: https://www.jica.go.jp/english/news/press/2021/20210430_30.html
*3: International Energy Agency (IEA), (2021), *Net Zero by 2050, A Roadmap for the Global Energy Sector*, pp. 114, IEA, Paris, https://iea.blob.core.windows.net/assets/0716bb9a-6138-4918-8023-cb24caa47794/NetZeroby2050-ARoadmapfortheGlobalEnergySector.pdf.
*4: https://www.climatechangenews.com/2021/02/25/bangladesh-scraps-nine-coal-power-plants-overseas-finance-dries/
*5: https://www.ft.com/content/30840645-58d2-4da5-be05-f476623677d2
*6: https://news.mongabay.com/2021/05/indonesia-says-no-new-coal-plants-from-2023-after-the-next-100-or-so/?utm_medium=Social&utm_source=Facebook&fbclid=IwAR1v9nsyna52Hjt3HkIl9KbijEh0qRn1qJQ7NnHJe
*7: https://www.g7uk.org/wp-content/uploads/2021/06/Carbis-Bay-G7-Summit-Communique-PDF-430KB-25-pages-3-1.pdf

Contact:
Yuki Tanabe, Japan Center for a Sustainable Environment and Society (JACSES)
Email: tanabe@jacses.org

Operation site

FairFinanceGuide International

No Coal, Go Green!

Exhibit Q

March 24, 2021

Dear JICA Bond Underwriters and Bondholders,

A Request to Engage with the Japan International Cooperation Agency (JICA) to Stop Supporting Coal Projects in Bangladesh and Indonesia

We, the undersigned 29 organizations from 12 countries would like to ask you to engage with the Japan International Cooperation Agency (hereinafter referred to as JICA), which is the executing agency for Japan's Official Development Assistance, to urge them to rule out support for the Matarbari coal-fired power plant Phase 2 project (600 MW x 2 units) (hereinafter referred to as Matarbari 2) in Bangladesh and the Indramayu coal-fired power project (1,000 MW x 1 unit) (hereinafter referred to as Indramayu) in Indonesia. We are sending this request to 39 financial institutions (see attachment) that have been underwriting and holding JICA bonds in recent years.

JICA is expected to support Matarbari 2 in Bangladesh and Indramayu in Indonesia. JICA has already provided loans for the Matarbari coal-fired power plant Phase 1 project (hereinafter referred to as Matarbari 1) and a preparatory survey for the construction of Matarbari 2 is currently underway. In Indramayu, JICA continues to provide loans for the basic design and is expected to do the same for the main construction.

However, the following problems have been pointed out regarding both the Matarbari and Indramayu coal projects.

1. **New coal-fired power generation is inconsistent with the goals of the Paris Agreement and the SDGs**

The Paris Agreement, an international framework for climate change countermeasures, aims to keep the global average temperature increase well below 2 degrees Celsius above pre-industrial levels while pursuing efforts to limit the increase to 1.5 degrees Celsius. It also aims to adjust the flow of funds to a pathway towards a low emission and climate-resilient development. According to Climate Analytics, a European research institute, in order to achieve the 1.5 degree limit of the Paris Agreement, developed countries need to completely stop the operation of coal-fired power plants by 2030 and developing countries by 2040 (※1). In February 2021, UN Secretary-General Antonio Guterres called on all countries to follow this timeline (※2).

The Sustainable Development Goals (hereinafter referred to as SDGs) has 17 international goals that were adopted to achieve a sustainable world, and Goal 13 requires that we "take urgent action to combat climate change and its impacts." Since both the Matarbari and Indramayu projects will construct new coal-fired power plants, it is clear that they are inconsistent with the goals of the Paris Agreement and Goal 13 of the SDGs.

2. **Worsening overcapacity in the host countries**

It has been pointed out that both countries are already facing an overcapacity of power, raising questions about the rationale for building new large-scale power plants. There are also concerns that the construction of large-scale power plants, such as Matarbari and Indramayu, would increase the financial burden on both countries.

According to the “Revisiting Power System Master Plan (PSMP) 2016 (published in November 2018)” (※3) by the Bangladesh Ministry of Power, Energy and Mineral Resources, the actual reserve margin is anticipated to reach a maximum of 69% in 2026, and the actual reserve margin is projected to consistently exceed the target reserve margin until 2041. According to a report released in January 2021 (※4) by the U.S.-based think tank, Institute for Energy Economics and Financial Analysis (IEEFA), Bangladesh’s overall power capacity utilisation in the fiscal year 2019-2020 fell from 43% in the previous year to 40%, revealing the country’s worsening overcapacity. IEEFA estimated that the capacity utilisation will fall below 40% over the next five years unless power generation growth is maintained at or above 10% per annum, and said that the construction of a new power plant will have significant impacts on the financial burden and cost of power generation of the Bangladesh Power Development Board.

It has been pointed out that the new power plant in Indramayu is unnecessary from the viewpoint of energy security because the Java-Bali electrical grid has an excessive power supply. In the Indonesian government’s plan, or the Electricity Supply Business Plan (RUPTL) (2019-2028) (※5), the transition range of reserve margin in the Java-Bali grid is anticipated at 30~45% until 2028. The oversupply of electricity in the Java-Bali grid was revealed in the letters (dated September 18, 2020) sent by the Ministry of State Owned Enterprises (BUMN) to the Ministry of Energy and Mineral Resources (ESDM) and the Indonesia Investment Promotion Centre (BKPM) (※6). If this project is pushed forward, it will put an additional burden on Indonesia’s state-owned electricity company (PLN), whose financial problems have already been pointed out (※7). This burden can easily be transferred to Indonesian consumers or taxpayers, including future generations, to save the financial difficulties of the state-owned company.

3. **A lack of economic justification due to the ever-falling costs of renewable energy**

An analysis conducted in March 2020 by the London-based think tank, Carbon Tracker, (※8) pointed out that the cost of new power projects that rely on renewable energy is cheaper than building new coal power projects in many Asian countries and regions, including Bangladesh and Indonesia, meaning there is no reasonable economic justification that can be made for building new coal-fired power plants. In addition, one of the four conditions for government assistance for coal-fired power generation in Japan’s Strategic Energy Plan (Cabinet decision on July 2018) is that support should only be provided for “countries that have no choice but to select coal as a key source of energy from the viewpoints of energy security and economic efficiency.” Therefore, JICA’s support for Matarbari 2 and Indramayu would go against this condition stipulated by the Japanese Government.

4. **Serious environmental and social impacts in the local area**

In Bangladesh, due to the construction of Matarbari 1 (supported by JICA), more than 40 households were forced to relocate, many residents who made a living from salt and shrimp farms have become unemployed, and life has become more difficult for families who are experiencing delays in compensation payments as well as delays in providing alternative housing. Other problems include the worsening of floods due to the destruction of water channels and water gates, damage on community roads, an increase in traffic accidents, and an inflow and accumulation of sediment in surrounding rivers. Residents have repeatedly asked the executing agency and JICA to solve these issues, but there has been very slow improvement. In addition, the construction of an access road has caused a river to fill up due to the dumping of dredged soil, leading to further loss of livelihoods for local fishermen who rely on the river, which is an impact that was not estimated in the environmental impact assessment report (※9).

In Indonesia, residents have strongly opposed the Indramayu project for more than five years, fearing that many farmers will lose their livelihoods due to the expropriation of farmland to make way for the power plant, and the worsening of air pollution. However, several farmers who voiced such opposition experienced human rights violations as they were unlawfully arrested for fabricated crimes and were imprisoned for five to six months. This shows that basic human rights such as freedom of expression are seriously violated in the project area. Moreover, many residents such as fishermen and farmers could not participate in a public consultation on the environmental assessment of the project, which should be conducted with the participation of the residents who are affected by the construction, due to the lack of publicly accessible and timely information.

Both projects do not comply with JICA’s “Guidelines for Environmental and Social Considerations” and SDG Goal 16 (i.e. to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels).

JICA bonds are issued to contribute to the achievement of the SDGs, being one of the Japanese Government’s concrete measures to achieve the SDGs in the “SDGs Implementation Guiding Principles Revised Edition” (revised in December 2019). However, the above-mentioned environmental and social impacts go against SDG Goal 13 and 16. Accordingly, it is extremely problematic that JICA is trying to support both the Matarbari 2 and Indramayu coal projects.

Therefore, we would like to request you as JICA bondholders to do the following:

- Urge JICA to not support the Matarbari coal-fired power plant Phase 2 project in Bangladesh and the Indramayu coal-fired power project in Indonesia.
- Urge JICA to solve existing problems due to the construction of the Matarbari coal-fired power plant Phase 1 project in Bangladesh and the Indramayu coal-fired power project in Indonesia, and to comply with JICA's "Guidelines for Environmental and Social Considerations."
- If JICA does not properly address the two points mentioned above, we urge you to divest from JICA bonds.

We would appreciate it if you could send us your institution's policies and opinions regarding this request to the contact person below by April 23, 2021.

Thank you for your consideration and we look forward to receiving your response.

Footnotes:

※1：https://climateanalytics.org/briefings/coal-phase-out/

※2：https://www3.nhk.or.jp/nhkworld/en/news/20210209_12/

※3：https://powerdivision.portal.gov.bd/sites/default/files/files/powerdivision.portal.gov.bd/page/4f81bf4d_1180_4c53_b27c_8fa0eb11e2c1/Revisiting%20PSMP2016%20%28full%20report%29_signed.pdf

※4：https://ieefa.org/ieefa-bangladeshs-power-system-overcapacity-problem-is-getting-worse/

※5：https://gatrik.esdm.go.id//assets/uploads/download_index/files/5b16d-kepmen-esdm-no.-39-k-20-mem-2019-tentang-pengesahan-ruptl-pt-pln-2019-2028.pdf

※6：https://money.kompas.com/read/2020/10/02/074542126/terlalu-banyak-pembangkit-listrik-pln-oversupply

※7：https://ieefa.org/ieefa-report-in-a-deepening-debt-hole-of-34-billion-indonesias-pln-must-stop-digging/

※8：https://carbontracker.org/reports/how-to-waste-over-half-a-trillion-dollars/

※9：https://www.thedailystar.net/frontpage/news/the-killing-kohelia-2033253

Contact:
Yuki Tanabe, Japan Center for a Sustainable Environment and Society (JACSES)
Email: tanabe@jacses.org

All signatories

350.org Japan, Japan
Asian Energy Network (AEN), Philippines
Bangladesh Poribesh Andolon (BAPA), Bangladesh
Bangladesh Working Group on External Debt (BWGED), Bangladesh
BankTrack, Netherlands
Coastal Livelihood and Environmental Action Network (CLEAN), Bangladesh
Conservation Action Trust, India
Earthjustice, United States
Facing Finance, Germany
Fair Finance International, Netherlands
Friends of the Earth Japan, Japan
Friends of the Earth United States, United States
Japan Center for a Sustainable Environment and Society (JACSES), Japan
Kiko Network, Japan
LBH Bandung, Indonesia
Life and Nature Safeguard Platform (LNSP), Bangladesh
Market Forces, Australia
Mekong Watch, Japan
Mighty Earth, United States/Japan
NGO Forum on ADB, Philippines
Oil Change International, United States
Oxfam in Cambodia, Cambodia
Pakistan Fisherfolk Forum, Pakistan
People of Asia for Climate Solutions, Philippines
Rivers without Boundaries Coalition, Russia
Sunrise Project, United States/Australia
The PRAKARSA, Indonesia
WALHI, Indonesia
WALHI West Java, Indonesia

Underwriters of the 44th (April 13, 2018) ~ 56th (August 3, 2020) JICA Bonds (Non-guaranteed Domestic Bonds)
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
SMBC Nikko Securities Inc.
Daiwa Securities Co. Ltd.
Nomura Securities Co., Ltd.
Mizuho Securities Co., Ltd.
Shinkin Securities Co., Ltd.
Tokai Tokyo Securities Co., Ltd.
BNP Paribas Securities (Japan) Limited
Okasan Securities Co., Ltd.
SBI SECURITIES Co., Ltd.

JICA Bond-holding Financial Institutions (as of February 2021, surveyed from various public documents and financial databases)
Domestic Financial Institutions:
Government Pension Investment Fund
Tokio Marine Holdings, Inc.
Pension Fund Association for Local Government Officials
Japan Police Personnel Mutual Aid Association
Nomura Securities Co., Ltd.
Sumitomo Mitsui Financial Group, Inc.
Sumitomo Mitsui Trust Holdings, Inc.
Mizuho Financial Group, Inc.
Resona Holdings, Inc.
Meiji Yasuda Life Insurance Company
Mitsubishi UFJ Financial Group, Inc.

Overseas Financial Institutions:
Vanguard Group, Inc.
California Public Employees' Retirement System (CalPERS)
The National Pension Service of Korea
Andra AP-Fonden (AP-2)
Allianz
Danske bank
BlackRock
The Teachers Insurance and Annuity Association of America (TIAA)
Davy Group
Lazard
HSBC
State Street
GAM Holding
Charles Schwab
UBS
Oaktree Capital
Sun Life Financial
Zürcher Kantonalbank