

# JBIC Today

Japan Bank for International Cooperation

JBIC Today

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## Aiming to be a navigator that helps Japanese companies expand business overseas in an uncertain world

Special Issue

Overview of JBIC's Medium-term Business Plan

(FY2018–FY2020)

Top Interview

Changing the corporate culture and acting as a "spearhead"

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Governor  
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Special Interview

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TOP INTERVIEW

# Changing the corporate culture and acting as a “spearhead”

**Tadashi Maeda**

Governor  
Japan Bank for International  
Cooperation (JBIC)

In its third medium-term business plan for FY2018-2020, JBIC set out a medium- to long-term vision for the first time. This vision provides a picture of where or what JBIC wishes to be or become in 10 years, defining its roles as a “navigator” for Japanese companies seeking to expand overseas in an uncertain world. JBIC’s Governor Tadashi Maeda talked about his wishes and expectations reflected in the new medium-term business plan.

## Helping to restore Japan’s glory

— Please tell us about the challenges and aspirations you indicated in the new medium-term business plan.

JBIC’s medium-term business plans so far have focused on faithfully carrying out its statutory missions. However, we significantly changed the concept of our medium-term business plan this time as we feel it is necessary to clarify and communicate externally our organizational structure policy, key business areas to focus on, as well as objectives for the next three years. In particular, we have identified five key business areas that we will focus on for the next three years. In the new medium-term business plan, four high-priority focus areas out of five are explained in the order of the most challenging area to the less challenging ones. The business activities that JBIC has pursued until now are presented in the category of a fifth focus area, titled “Consistent implementation of policy based finance and restructuring of operations” (see Page 11).

In the “growth areas, new fields”, which is our first priority business area to focus on, particularly in relation to investment in overseas funds, we will serve as a fund manager who manages funds and makes investment decisions, in addition to acting as a limited partner who simply provides funding. To achieve this purpose, we established a subsidiary for the asset management business called JBIC IG Partners in collaboration with Industrial Growth Platform, Inc. in June 2017. This joint venture has enabled us to invest in growth areas and new fields including start-up companies where JBIC has never been involved. We put this objective at the top of the list because we wished to demonstrate that we will emphasize the use of equity financing which enables us to expand into areas with high growth potential yet relatively high risk. Although there are few unicorn companies <sup>(Note)</sup> in Japan, it is an immediate need to bring in new advanced technologies to industries such as IoT and AI as we enter the age of the Fourth Industrial Revolution and Connected Industries. While I was working in Washington D.C. two times, I saw Japan losing influence during the “Lost Two Decades” of its economic growth, while emerging countries were rising. This experience motivated

me to give the highest priority to growth areas and new fields in the new medium-term business plan because I wanted Japan to restore its glory.

In the area of “overseas infrastructure development”, we have supported projects so far by participating from the beginning of the project development process as a lender. Going forward, however, we will also provide support utilizing equity financing methods such as equity participation and investment in overseas funds.

To address these challenges, JBIC needs to change its corporate culture. JBIC has to be more proactive in taking risks in supporting Japanese companies, including through equity financing. Such risk-taking attitude can be described by the word “spearhead,” meaning “leading” and “standing at the forefront.” I used the word “spearhead” in the new medium-term business plan, stating that “JBIC must act as a spearhead.”

(Note) Unicorn company: An unlisted venture company with a valuation exceeding one billion dollars.



## Making the corporate culture more proactive

Looking at world trends, it is obvious that we need to make our corporate culture more proactive and forward-looking. An agency such as JBIC that extends credit to export businesses is called an export credit agency (ECA) and the principle of a level playing field has been shared among OECD countries. However, as non-OECD countries such as BRICs are achieving rapid economic growth, this principle no longer applies only to OECD countries.

In response to this change, a concept different from ECAs has emerged in Europe. More specifically, dynamic changes have been made to the regulatory framework of ECAs. Through these changes, public organizations which can provide direct financing to businesses in addition to export credit have been newly established in Europe. Looking at the United States, a legislation called the Build America Act was introduced in October 2018. This led to the restructuring of a government agency called Overseas Private Investment Corporation (OPIC) with the aim of establishing a new organization which can provide loans as well as make investments. Through this organizational change, some functions of the United States Agency for International Development (USAID), the primary federal agency for humanitarian aid and anti-poverty work, were integrated into the organization of OPIC.

Amid these trends, attention is drawn to the role of development finance institutions (DFIs) apart from that of ECAs. A DFI is a financial institution that provides funds to various economic development projects, apart from Official Development Assistance (ODA), while promoting private-sector investment and financing. DFIs in Europe and the United States play a crucial role in providing finance to the private sector for investments in economic development especially in developing countries. To respond to such global trends, JBIC is required to shift to a more proactive corporate culture.

Another trend that should be noted is the spread of social impact investing to address a range of social issues. Social impact investing is investment intended to generate financial returns as well as tackle various social issues and challenges such as the global environment and economic disparities. This investment approach is starting to prevail in the world. I hope to encourage this social impact investing to take root in Japan. I believe JBIC should take a proactive role in supporting such an investment approach.

## Improving employees' abilities and creating a muscular organization

— It must be hard to change the corporate culture.

I think it is essential to change the corporate culture at the time when we are required to address risks different from those in the past as a "navigator" for Japanese companies to expand overseas, as set out in our medium- to long-term vision. JBIC is currently implementing organizational reforms including changes to its personnel and management systems, as well as employees' working style. I believe that our employees can improve their abilities with the help of these reforms, and that their enhanced abilities will help JBIC to transform into a more muscular organization to address current social issues and challenges.

— What experience motivated you to improve the abilities of your employees?

Let me talk about my experience while I was working in the Washington D.C. office of the Export-Import Bank of Japan (JBIC's predecessor). In the 1980s, for example, the Export-Import Bank of Japan extended co-financing with the World Bank and parallel financing with the IMF in terms of accumulated debts in Latin American countries. The IMF also provided financial assistance to low-income countries through the Enhanced Structural Adjustment Facility (ESAF). The Export-Import Bank of Japan played the central role in providing support to these countries and I spent much of my time and energy negotiating to arrange financing for them.

Although JBIC played a main role in arranging financial support, the decisions on whether to provide financing or not were made by the Ministry of Finance of Japan and the U.S. Department of the Treasury. This made me feel that we were merely a tool to implement what they decided and that we should be involved in discussions with high-ranking officials of the U.S. Department of the Treasury and other agencies at the policy decision level. Back then, I was a young employee who was working at an overseas office of the Export-Import Bank of Japan, but the great thing about America is that Americans do not mind associating with people who they find interesting regardless of their job titles. This helped me to build relationships with the Under-Secretary of the U.S. Department of the Treasury and presidential advisor in the White

House. To communicate better with those high-ranking government officials, I worked very hard on my English and studied Japan's domestic economic and political situation which I thought would be interesting for them to learn about. These also helped me to form my own views and opinions about Japan's situation.

In light of these experiences, I strongly feel I need to give JBIC's employees more opportunities than ever to challenge and grow in their career as they have potential abilities and skills.

— What efforts are you making as JBIC's governor to increase the potential skills of employees?

My new approach is to have younger employees accompany me on overseas business trips. The purpose of this is to let them see with whom and on what issues their top management negotiates, rather than simply accompanying on my business trips. I believe this strongly motivates them. What is important is to give them opportunities to see what is happening at the negotiating table during very important meetings where they are present. I think every person has their own ideas of the scope of their roles. For example, if you are a manager, you might have already decided the range of work you will engage in as a manager and focus on working within your designated scope of business. I need to give my employees more motivation to change their attitudes toward their roles. Without motivating employees, we cannot truly transform into a muscular organization.



Signing of a MOU with OPIC, Department of Foreign Affairs and Trade of Australia and the Export Finance and Insurance Corporation of Australia (from left to right: U.S. Ambassador to Japan, William F. "Bill" Hagerty IV, JBIC Governor Tadashi Maeda and Australian Ambassador to Japan, H.E. Mr Richard Court AC).

## Conveying messages from a geo-economic viewpoint

— What messages will you communicate in implementing JBIC's new medium-term business plan?

One of the major points I would like to focus on in the medium-term business plan is a geo-economic perspective aimed at establishing relationships with other countries through economic means. For example, China's Belt and Road Initiative has geo-economic implications. In recent years, the diplomatic approaches taken by every country for global and regional strategies have shifted from the geo-political approach considering military power within international relations, to the geo-economic approach seeking national interests through economic and trade activities.

Under such environment, on the occasion of the visit of the U.S. Vice President Mike Pence to Japan in November 2018, JBIC signed a memorandum of understanding (MOU) on business cooperation with OPIC of the U.S., the Department of Foreign Affairs and Trade of Australia and the Export Finance and Insurance Corporation of Australia. The aim of this MOU is to further enhance cooperation among Japan, the U.S. and Australia which adopt global standards, under the "Free and Open Indo-Pacific Strategy" emphasized by Japanese Prime Minister Shinzo Abe. To promote the concept of this strategy, I met and exchanged opinions with the United States Ambassador to Japan and the Australian Ambassador to Japan during the visit of the U.S. Vice President.

These are only a few examples of JBIC's activities to promote relationships with other countries. Our partnership with those major countries is extremely important particularly from a geo-economic standpoint. With this in mind, I will continue to present JBIC's efforts and plans to enhance cooperation with major countries for improving regional connectivity.



Special Interview

# Solve the global financial issues and create “Common Value” by collaborating with JBIC, which connects the public and private sectors

— What is your view on the current situation in the financial world?

The global economy is at a major turning point in its history. Looking back at the global financial markets in the past three decades, there were three main crises—Black Monday in 1987, the Asian Currency Crisis in 1997 and the global financial crisis in 2008. These occurred about every 10 years, sending the Japanese economy into a prolonged slowdown. On the other hand, digital technologies such as AI, the blockchain, and IoT have been developing rapidly, and the circumstances surrounding the financial world continue to change significantly. Looking at the world, the center of the global economy is shifting from the west to Asia, driven by the emergence of China. We need to change our awareness amid growing interest in environmental issues, poverty and socio-economic disparities, as expressed by the terms “sustainable development goals (SDGs)” and “environment, society and governance (ESG)”. Currently, the world economy is on a recovery track supported by the stable growth of the U.S. economy. However, certain risks persist that include a drift towards protectionism, trade friction between the U.S. and China, currency depreciation and fund outflows in emerging countries, as well as political instability in Europe. Therefore, close attention is required as to how these factors will affect the Japanese economy.

Under these harsh circumstances, the Japanese public and private sectors are playing an increasing number of roles as “Team Japan.” JBIC is the best partner for our bank and other private financial institutions when addressing global financial issues and challenges. I believe that there are greater opportunities for both the public and private sectors to work together in contributing to global society.

**Koji Fujiwara**

President & CEO  
Mizuho Bank, Ltd.

**Profile**

Chairman  
Japanese Bankers Association



— How would you evaluate JBIC's activities for the past three years?

Various sectors are reaching a turning point. In such an environment, we regard JBIC as an essential partner in creating common values globally. JBIC has played a greater role in supplementing transactions performed by private financial institutions and promoting public-private partnerships through its functions, particularly supplying foreign currencies, extending support for business expansion into frontier areas and providing long-term financing.

In its medium-term business plan for FY2015-2017, JBIC provided financing to Japanese companies under its financing facilities to support their overseas M&A transactions. In addition to these activities, JBIC launched new financing operations called “Special Operations” to take more risk in supporting overseas infrastructure projects by Japanese companies, while establishing a new business function known as the Equity Finance Group to enhance its capability in the area of equity financing from the viewpoint of the increased supply of funding for projects involving Japanese companies. I feel these various financing frameworks established by JBIC to strengthen the international competitiveness of Japanese companies are of great significance for private financial institutions including our bank.

One of JBIC's financing transactions that I would particularly like to mention here is the project finance (signed in September 2017) for a solar power generation project in India where our bank participated as a lead arranger. Support for SoftBank Group's construction of its first overseas photovoltaic generation project in India, where electricity demand is growing rapidly due to strong economic growth, was highly

significant for us because financing that project helped not only to maintain and increase the international competitiveness of Japanese companies, but also to reduce CO<sub>2</sub> emissions in India. Other significant projects that we financed in cooperation with JBIC included the Mozambique Nacala railway and port infrastructure project by Mitsui & Co., Ltd. and strategic M&A transactions by Japanese companies such as the purchase of Endurance Specialty Holdings Ltd. by Sampo Japan Nipponkoa Insurance Inc. The Nacala railway and port construction project is expected to contribute to the long-term stable supply of coal to Japan. JBIC's financing to meet the needs for funding in foreign currencies was an important factor in structuring a loan scheme for the M&A deal by Sampo Japan Nipponkoa Insurance.

— What do you expect of JBIC in the future?

A framework to build a global partnership to achieve sustainable development goals (SDGs) and sustainable growth has been promoted throughout the world. The Japanese Bankers Association, where I serve as chairman, also set up a policy to push forward this framework. To support the achievement of SDGs and sustainable development by all countries in a global partnership, I hope JBIC will take the lead in connecting the public and private sectors. I would like to emphasize “creating common values”, believing that if common values are created between private financial institutions and JBIC as a policy-based financial institution, and also between Japan and host countries, it can lay the foundation for creating global values which can be shared with other countries.

JBIC is an institution connecting the government and the private sector, and is a strong partner for private financial institutions such as our bank. JBIC is working towards achieving its vision of “serving as a navigator for Japanese companies to expand overseas business in an uncertain world.” Amid such situation, we would like to move forwards in partnership with JBIC, capitalizing on our respective strengths.

In its new medium-term business plan, JBIC aims to “support Japanese companies in expanding into frontier markets”. While promoting a collaborative relationship with JBIC, we would like to assist Japanese companies in expanding overseas by establishing cross-regional business value chains particularly in Asia and by providing financial solutions. As for JBIC's action plan “to support infrastructure projects that are highly important on the policy front”, we hope JBIC will support us, from the beginning of the project development process, in structuring a bankable scheme, for example, under public-private partnerships (PPP), in Southeast Asia where Japanese companies are keen to expand.



THE JAPAN ELECTRICAL MANUFACTURERS' ASSOCIATION

Special Interview

# JEMA and JBIC share the same goal : JEMA wishes JBIC to serve as a “navigator” for Japanese companies

— Please describe the business environment surrounding JEMA's member companies.

The products manufactured by JEMA member companies can be classified into products of the following three sectors: heavy electric machinery, industrial systems and home electrical appliances. The structure of these three sectors, particularly the heavy electric machinery sector, is in the middle of a transition. Amid continuing growth in global demand for electricity on the back of the expanding middle-income group in emerging countries, power generation infrastructure is shifting from “centralized” large-scale power generation, such as by nuclear and thermal power technologies, to “distributed” small-scale power generation, such as using renewable energy sources. In response to this change in the structure of the heavy electric machinery sector, products required for

power generation are also changing. Meanwhile, I believe the growth in global electricity demand will definitely provide a tailwind for JEMA member companies. To grow in promising business

## Masaki Sakuyama

Chairman  
The Japan Electrical Manufacturers' Association (JEMA)

Profile

Chairman  
Mitsubishi Electric Corporation

areas, JEMA member companies would like to satisfy the increasing worldwide demand for electricity.

In the industrial system sector, smart manufacturing utilizing digital technologies such as the Internet of Things (IoT) and Artificial Intelligence (AI) is attracting attention, while consumers are more interested in energy-saving and high-value added products in the home electrical appliances sector.

Digital technology innovation such as the IoT and AI has become a worldwide trend observed in all of these sectors. In response, our member companies are striving to launch new products and services.

— JBIC has been helping JEMA's member companies to expand overseas business. Of the projects you worked on in the three years covered by the previous medium-term business plan, which one impressed you most?

I understand that JBIC has helped strengthen the international competitiveness of our member companies, particularly in the heavy electric machinery sector where the export of high-quality infrastructure is promoted. In the project to export equipment to the Muara Karang gas-fired combined cycle power plant in Indonesia (signed in March 2017), JBIC extended long-term financing in foreign currency to a state-owned power company in Indonesia for the purchase of power generators manufactured by Mitsubishi Electric Corporation. I feel this project was very significant because it was a good example of exporting high-quality infrastructure by a Japanese company. There is also another reason why this project greatly impressed me. About 35 years ago, I was involved in designing and developing two power generators which were delivered for this project. This was actually the start of my business career. When I heard that those power generators were upgraded this time, I could imagine how this power plant has turned into an advanced facility.

JBIC has also supported geothermal power generation projects involving JEMA member companies through its various financial schemes. JBIC provided financing to the Rantau Dedap Geothermal Power Project in Indonesia (signed in March 2018) in the form of project financing, and also for the export of machinery for geothermal power generation to the national power company of Iceland (signed in December 2015).

Furthermore, the project to export a set of substation facilities to the government of Iraq (signed in March 2017) was another impressive project as it was the first project financed under JBIC's new operation called “Special Operations” where its risk-taking function was enhanced as a result of the revision of the JBIC Act. This revision also expanded the scope of financing projects in developed countries, which led JBIC to support a Japanese company in implementing the first waste treatment and power generation project in the U.S. (signed in March 2017). JBIC played an important role in structuring a financing scheme for this project.

— You have read JBIC's new medium-term business plan. What do you expect from JBIC?

JBIC's targeted activities within the key focus areas identified in its new medium-term business plan are consistent with the activities

that JEMA highlighted in its plan for “Main Activities.”

I feel that our member companies have high expectations for JBIC's business plan for the key focus areas, particularly the plan to “support Japanese companies in expanding into frontier markets” in the “growth areas, new fields.” For example, Africa is one of the regions where Japanese companies wish to expand, but it is very difficult to develop business plans for the region and make investment decisions. As much time is required to recover investment in an infrastructure project, our member companies need accurate information about the country where the project will be implemented in order to make investment decisions. In this respect, we hope JBIC will provide not only financing to business in Africa by performing its risk-taking function, but also information about the region that it collects based on its abundant experience in international business.

As you know, the trend toward innovation of digital technology has increased in recent years. In its new medium-term business plan, JBIC indicated its intention “to take strategic actions to promote innovation.” I personally believe that the areas where JEMA member companies should play a leading role are the sectors of heavy electric machinery and industrial systems, and that new technologies such as AI and IoT are “tools” to increase the performance of products manufactured in these two sectors. These “tools” are very important to boost our international competitiveness and the value we offer to customers. We wish to apply these new technologies to enhance manufacturing capabilities to produce new products and create new service industries.

All these business policies aim to contribute to developing the economies of countries where products and services are exported and to improve the living standards of those nations, through the export of Japanese products, for example, with high energy efficiency that help to reduce carbon emissions. JBIC's support will continue to be indispensable for achieving these objectives and we expect JBIC to serve as a “navigator for Japanese companies to expand overseas business in an uncertain world”, as expressed in its medium-term business plan.



# Overview of JBIC's Medium-term Business Plan (FY2018–FY2020)

The environment surrounding Japan is changing significantly. In addition to progress in the Fourth Industrial Revolution, increasing geo-political risks and international efforts to address global environmental problems, there are structural issues, such as a declining workforce and a fast-aging population with a low birthrate in the domestic market. These factors further increase the uncertainty in the surrounding environment. Under such circumstances, Japanese industries are facing urgent tasks, such as collaboration across different sectors to boost productivity and pursuing new technological development through innovation. Japanese industries are also continuing and strengthening their efforts to benefit from the growth of overseas markets, while managing increasing business risks in a proper manner.

JBIC's third medium-term business plan for FY2018–2020 identifies eight key focus areas and sets out 21 action plans. Accomplishing these will allow the Bank to accurately navigate increasingly uncertain domestic and international situations and to provide support in response to the new tasks and challenges faced by Japanese industries.

JBIC will create new additional value and contribute to the sound development of Japan and the international economy and society under its third medium-term business plan by capitalizing on its relationships with stakeholders and its overseas networking and information-gathering abilities.

## Changes in the environment surrounding JBIC

- 1 **As a result of global population and economic growth,**
  - i) **Increasing demand for energy, water, food and healthcare services raises the need to increase global supplies and establish and improve supply chains;**
  - ii) **Increasing global demand for infrastructure raises the need to supply funds to fill the gap in financial demand and supply;**
  - iii) **An ongoing global effort for environmental issues, including greenhouse gas reductions, is required to achieve the international commitment for the environment.**
- 2 **A fast-aging population with a low birthrate and declining labor force, which are issues specific to Japan, raise the need to boost the productivity of domestic industries and benefit from overseas economic growth.**
- 3 **The progress in the Fourth Industrial Revolution requires Japanese industries to collaborate across different sectors to generate new products and businesses, or pursue new technological development through innovation.**

## JBIC's view of the international environment

**There are growing uncertainties in the international environment, such as complex international relations and the emergence of anti-globalization and protectionism, which will bring the world amplified risks and challenges.**

**In its third medium-term business plan, JBIC sets out a "mid- to long-term vision" that provides a picture of where or what JBIC wishes to be or become in 10 years, in light of the environment surrounding JBIC and its view of the future environment. The mid- to long-term vision bridges the corporate philosophy. (Positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy.)**

## JBIC's mid- to long-term vision

**To serve as a "navigator" for Japanese companies to expand overseas business in an uncertain world**

# Principles, Key Focus Areas and Action Plans

## Principles

- (1) **Enhance JBIC's risk-taking capability by capitalizing on its strength and attributes as a policy-based financial institution**
- (2) **Respond to changing social situations and clients' needs in a flexible manner, while having the objective of supplementing the financial transactions implemented by private-sector financial institutions**
- (3) **Strengthen organizational competency**

## Details of Action Plans for Business Performance

### I Growth areas, new fields

[Action plan I-1.] **To take strategic actions to promote innovation**

#### (1) Taking up innovation, Creating new business and rolling them out worldwide

- Amid the progress in the Fourth Industrial Revolution, where industrial society is transforming into "Connected Industries" which are connecting humans, machines and technologies across firms and borders to create new value, JBIC will support Japanese companies in taking in innovation from overseas, creating new business through innovation and rolling them out worldwide.

#### (2) Building relationships with key entities/organizations

- JBIC will promote relationships with new entities/organizations, such as start-up companies, venture companies established within universities as well as foreign companies and funds that engage in generating and developing new products and businesses through innovation, while re-building relationships with Japanese companies with a focus on advancing innovation.

[Action plan I-2.] **To support Japanese companies in expanding into frontier markets**

#### (1) Creating business opportunities for Japanese companies through support for identification and formation of projects

- JBIC will support Japanese companies in expanding to regions which are expected to further strengthen relationships with Japan—such as Africa, the Mekong Region and South Asia—by enhancing its risk-taking capability and collaborations with international organizations and state financial institutions around the world.

#### (2) Strengthening efforts to facilitate business in Africa towards TICAD VII

- JBIC will promote the formation of projects by formulating strategies to encourage Japanese companies to find business opportunities in Africa.

[Action plan I-3.] **To promote energy and natural resource projects in response to the new market environment**

#### (1) Structuring financing schemes to respond to changing markets

- JBIC will provide financial support in response to more diversified pricing formulas and contracts in the LNG market, which is at a turning point in its supply and demand balance.

#### (2) Supporting projects that are expected to help to establish an energy value chain

- JBIC will support infrastructure projects, such as projects for Gas-to-Power and LNG receiving terminals, aiming to contribute to Japan's energy security.

#### (3) Ensuring new resources and energy sources

- JBIC will provide support to secure strategic natural resources to be used for innovation, as well as support to secure new energy sources and establish supply chains to facilitate the transition to a low-carbon society.

### II Overseas infrastructure development

[Action plan II-1.] **To support infrastructure projects that are highly important on the policy front**

- JBIC, in collaboration with the Japanese government and its agencies, will proactively lead project formation to support Japanese companies in participating in overseas infrastructure projects that are highly important on the policy front (e.g. high-speed railways and ports).

[Action plan II-2.] **To help geo-economically important countries to establish frameworks for promoting infrastructure development**

- JBIC will help geo-economically important countries with high potential as destinations for infrastructure exports to establish a public-private partnership (PPP) framework, through policy dialogue with the governments of those countries and workshops to share knowledge of PPP.

### III Global environmental preservation

[Action plan III-1.] **To contribute to global efforts for the transition to a low-carbon society**

- Taking account of the policies of host governments and their needs, JBIC will support the transition toward low-carbonization of thermal power generation and encourage Japanese companies to develop low-carbon infrastructure projects such as renewable energy projects.

[Action plan III-2.] **To further promote global environmental preservation**

- To respond to social demand for clean air and water, and waste disposal considering environmental impact, JBIC will contribute to sustainable economic growth by promoting the use of Japanese companies' superb environmental technology and expertise such as desulfurization and denitration equipment, waste water treatment equipment and waste-to-energy generation technology.

### IV M&As

[Action plan IV-1.] **To support overseas M&As that are important on the policy front**

- JBIC will support overseas M&As by Japanese companies, while considering the importance of their business strategies and Japanese government policy.

[Action plan IV-2.] **To support overseas M&As in collaboration with private financial institutions**

- JBIC will provide financing for overseas M&A transactions in the form of two-step loans, in collaboration with Japanese private financial institutions which have broad customer bases.

### V Consistent implementation of policy-based finance and restructuring of operations

[Action plan V-1.] **To implement policy-based finance in a consistent manner**

- (1) **Fulfilling JBIC's mission by enhancing its risk-taking capability**
- (2) **Responding to the changing international financial environment**

[Action plan V-2.] **To restructure operations in response to the changing external environment**

[Action plan V-3.] **To support Japanese SMEs in expanding overseas**