

Development Cooperation for Climate Change (Energy Efficiency and Conservation)

February 1, 2013

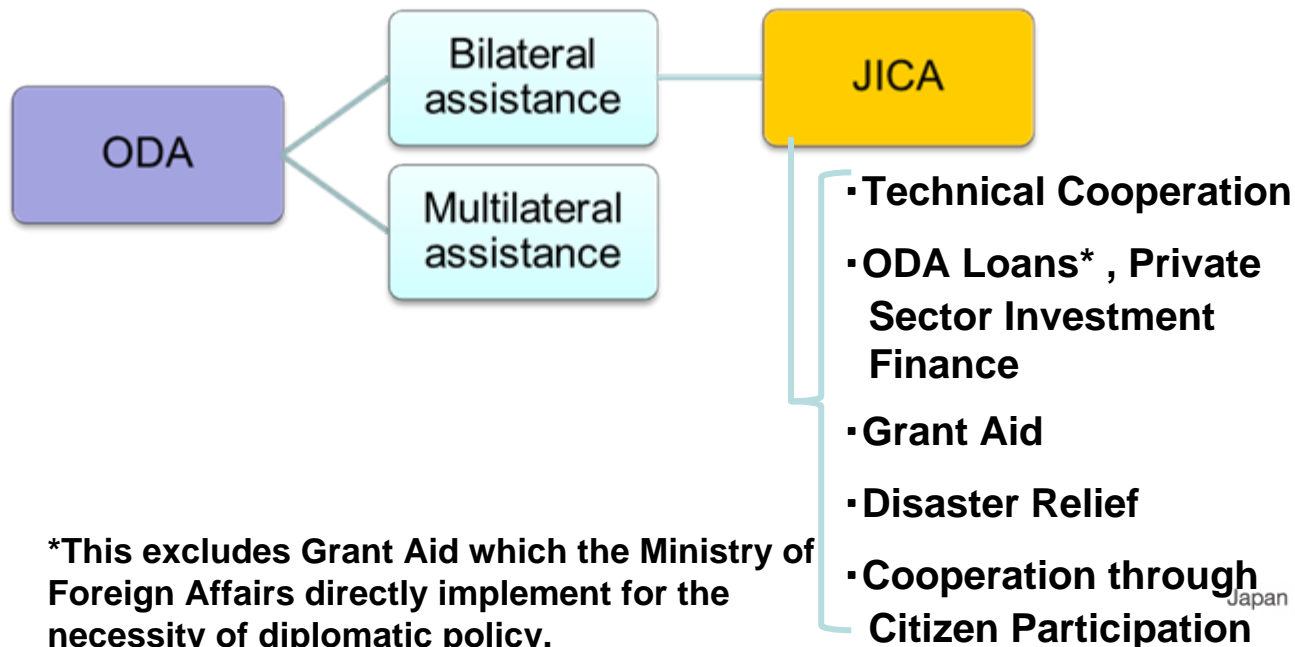
Office for Climate Change, Global Environment Department
Japan International Cooperation Agency

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1. About JICA and Assistance Schemes

Japan has been providing financial and technical assistance to developing countries' needs through ODA (Official Development Assistance) since 1954. JICA (Japan International Cooperation Agency) supports low carbon and sustainable development in developing countries, taking advantage of both the experiences, findings accumulated through assistance to developing countries and the cutting-edge technology, knowledge of Japan. The cooperation is specifically for actions essential for sustainable development in developing countries, through effective combination of technical and financial assistance. Such actions include mitigation measures, which contribute to reduce greenhouse gas emissions, and adaptation measures, which reduce the negative impact caused by climate change.



JICA FY 2012 Budget

Technical Cooperation:

145.4 bil. JPY

(General Account Expenditure Budget)

Bilateral Loan:

880.0 bil. JPY

(Loan and Investment Plan)

Grant: 161.6 bil. JPY

(Around 70% is implemented by JICA)



Various Schemes of JICA Assistance to Meet the Needs of Developing Countries

- Technical Cooperation: includes ...
 - (1) dispatch of experts
 - (2) acceptance of training participants
 - (3) provision of equipment for efficient implementation of assistance by experts, etc.
 - (4) assistance for development planning and public projects

- Loan Aid (ODA loans, PSIF): includes ...
 - (1) project loans
 - (2) program loans (sector support / development policy support)
 - (3) financial intermediary loans (“two-step” loans)
 - (4) engineering services (E/S) loans

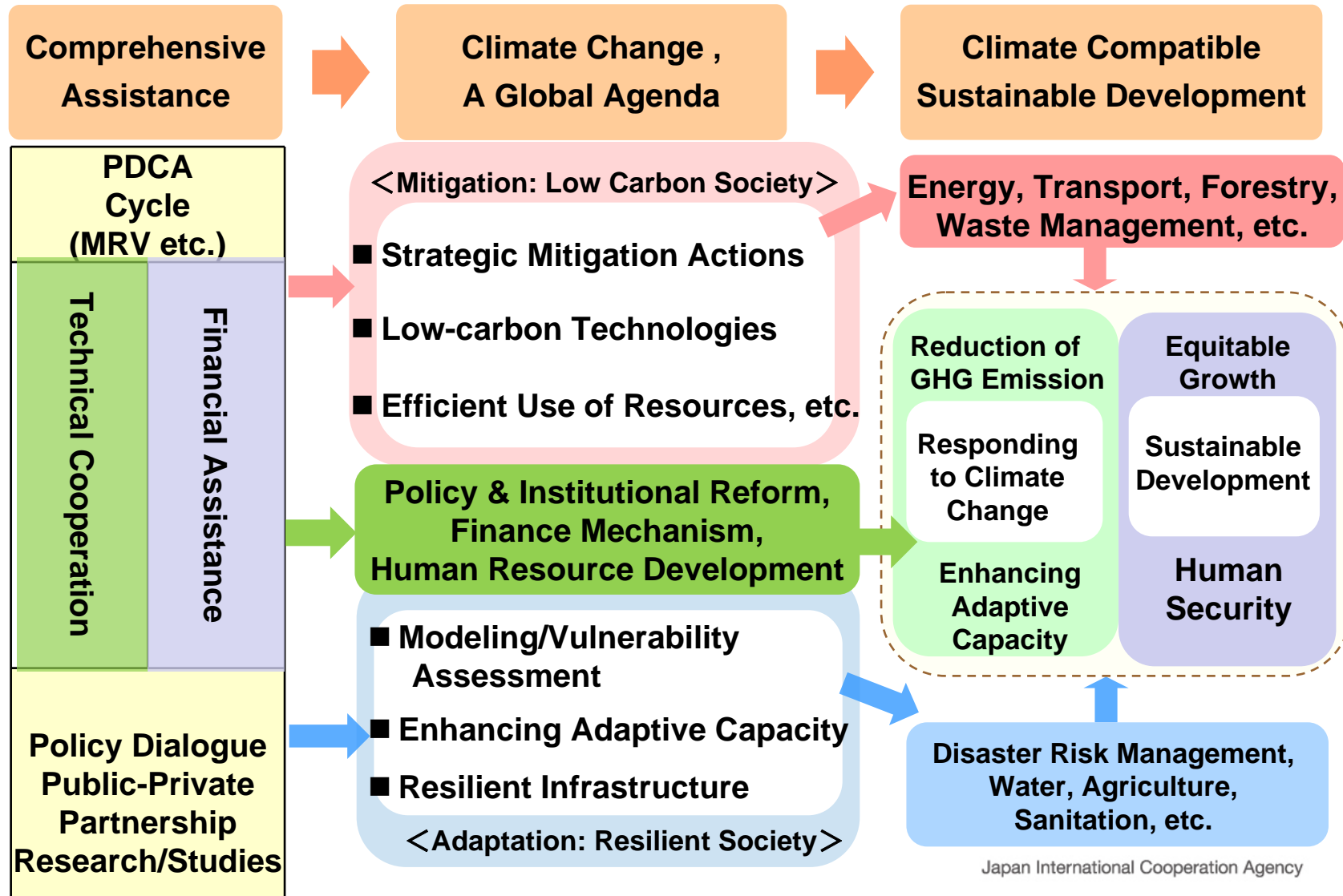
- Grant Aid: includes ...
 - (1) grant aid for general projects
 - (2) program grant aid for environment and climate change

- Others (research, volunteers, disaster relief, etc.)



2. Development Cooperation for Climate Change by JICA

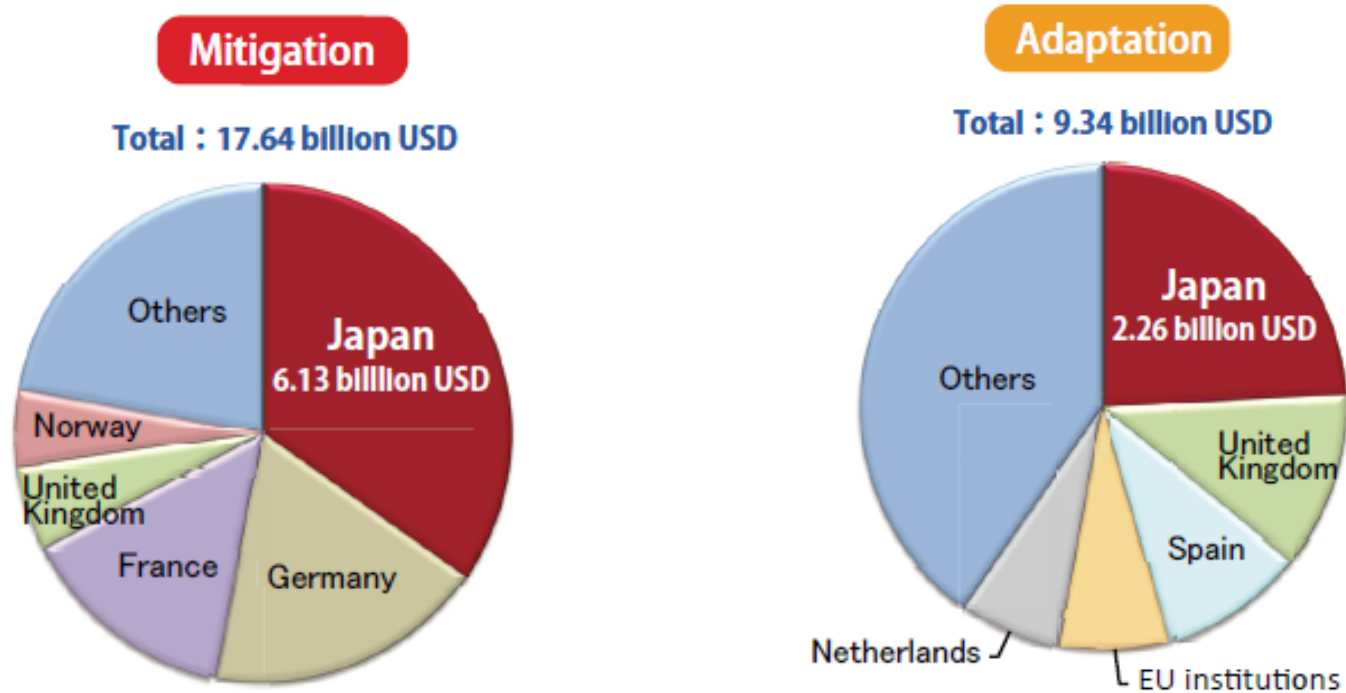
JICA is taking actions to support for climate change measures based on the following principles.



Japan's Bilateral Climate-related Aid

Japan has been actively providing assistance for mitigation and adaptation measures addressing climate change.

According to the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD), the amount of Japan's bilateral financial aid in the field of climate change in 2010 is 6.13 billion USD for mitigation projects and 2.26 billion USD for adaptation projects, the largest among OECD DAC donors.



3. Assistance for Energy Efficiency and Conservation (EEC)

To promote energy conservation in developing countries, comprehensive support such as development of legal framework and policy, strengthening of organization and human resources, finance improvements in the environmental field, and introduction of energy-efficient equipment in businesses is essential.

Master Plan for Energy Conservation (Indonesia, Vietnam, Philippines, South Africa, Oman, etc.)

The main objective of this plan is to foster skills in data collection and formulate a framework for reducing the energy intensity to address climate change issues and promote Green Economy in developing countries, by supporting government agencies in the following areas;

---Examples of Support in Master Plan---

- Providing technical expertise in energy modeling and planning
- Improving energy efficiency
- Developing industrial and energy technology policy
- Enhancing the technical capabilities of counterparts
- Finalization of energy efficiency strategy
- Development of energy efficiency target monitoring system
- Formulation of energy conservation scheme
- Implementation of the industrial energy efficiency project
- Implementation of energy efficient appliance labeling program

3. Assistance for Energy Efficiency and Conservation (EEC)

Cutting-edge Japanese Technology and JICA's Support

Top Runner Program

India: Micro, Small and Medium Enterprise Energy Saving Project

Top Runner Program aims to make and disseminate products with the highest standards of energy conservation. In India, the need for improvement in energy efficiency is increasing especially in small and medium enterprises. JICA supports them to introduce 'Top-Runner' appliances.

Ecolable System

Indonesia: Study for Promoting Practical Demand Side Management Program

Ecolabel system is intended to promote efforts of the manufacturer as well as increase consumer awareness of energy conservation. JICA has been supporting the energy conservation promotion plan for Indonesia, and proposes reliable operation of the current labeling system and introduction to popular consumer electronics.

Energy Manager Training

Thailand, Turkey, Iran and Poland

Qualified person for Energy Management maintains energy equipment and implements of monitoring, improvement, and report of energy usage. JICA supports the establishment of educational institutions and implementation of training programs for qualified person for energy management, and contributes to energy saving in the industrial sector, particularly in countries with notable increases in energy consumption.

3. Assistance for Energy Efficiency and Conservation (EEC)

Viet Nam & Indonesia: Strategic and Multi-layered Assistance

Towards a Low-carbon and Climate-resilient Society

National Development Strategy, Budget Allocation & Finance Plans
and Policy Coordination

Mitigation Actions

- NAMA* and MRV of Mitigation Effects
- Energy, Forestry, Transportation, etc.

Adaptation Actions

- Climate prediction & vulnerability assessment
- Disaster prevention, agriculture, fisheries, etc.

Physical Infrastructure
Development
(ODA Loans)

- Renewable energy
- Energy efficiency
- Urban transport
- Flood management, etc.

Policy & Institutional
Improvement
(Technical Cooperation,
Experts)

- Geothermal IPP investment regulations
- Energy efficiency labeling system, etc.

Capacity
Building
(Technical Cooperation,
Seminars)

- Climate change projection model analysis
- Formulation of NAMA in a MRV manner, etc.

3. Assistance for Energy Efficiency and Conservation (EEC) (Comprehensive EEC Assistance Approach in Viet Nam)

Legal, institutional & policy issues

**【ODA loan】 Climate Change Policy Loan (CCPL)
(10 bil. JPY*)**

■ Budget support for policy / institutional improvement
(law and preferential policy measures for EEC, etc.)

Capacity Building

【Technical Cooperation】 EEC Master Plan

■ Preparation of Roadmap and Action Plan to Promote National Target Program for EEC, etc.

Strengthening environmental finance

【Technical Cooperation】 Capacity Building of Viet Nam Development Bank (VDB)

■ Strengthening environmental finance credit analysis

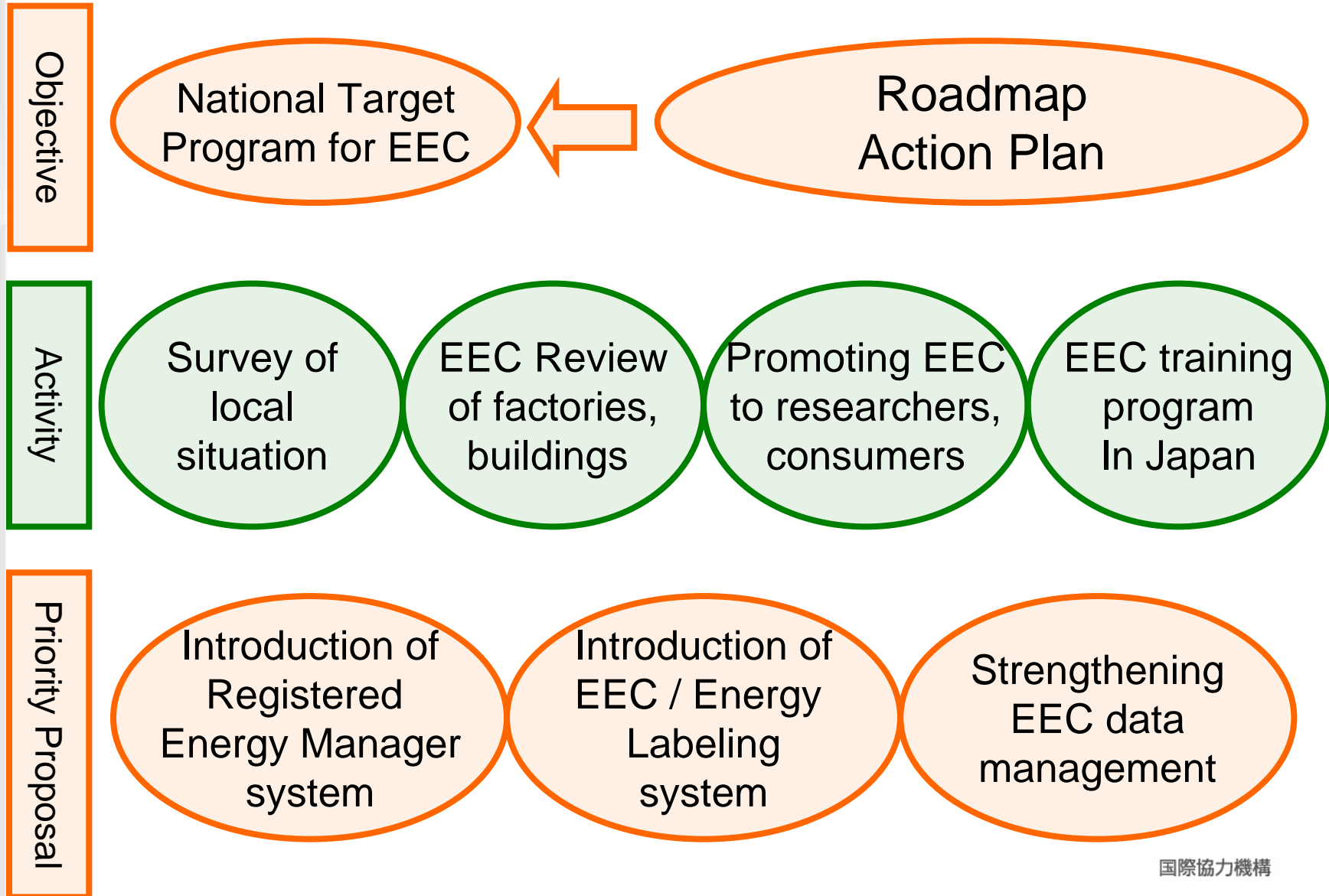
Implementation of EEC actions by firms

【ODA loan】 Energy Efficiency and Renewable Energy Promoting Project (4.68 bil. JPY*)

■ Finance for energy-saving devices, etc. thru Viet Nam Development Bank, offers EEC consulting services for firms



【Technical Cooperation】 EEC Master Plan (Implemented by J-POWER)



【ODA loan】

Energy Efficiency and Renewable Energy Promoting Project

Project Summary	Loan Agreement	Loan Amount (mil. JPY)	Interest Rate (%, p.a.)	Repayment / Grace Period (year)
Providing medium- and long-term loans through the Viet Nam Development Bank (VDB) (called two-step loan) required to promote the use of energy-saving devices and renewable energy by companies in energy-intensive industries (iron & steel, cement, food processing, etc.)	Nov 2009	4,682	0.25% (0.01% for consulting services)	40/10

- Assistance to VDB will be provided for
 - 1) capacity building of evaluating energy-related finance based on Japan's experiences
 - 2) creating and managing energy-saving and renewable energy device lists



- Project implementation assistance by Japan Consulting Institute (JCI) and the Japan Economic Research Institute (including introduction of EEC products, conditions of VDB finance, etc. through seminars)





Thank You For Your Kind Attention!

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