

# **Activity Report for the 8th Term**

From: April 1, 2018  
To: March 31, 2019

**Renewable Energy Institute**

# Table of Contents

## **1. The Institute**

1. Date of Incorporation
2. The Purpose of the Institute Set Forth in the Articles of Incorporation
3. The Activities of the Institute Set Forth in the Articles of Incorporation
4. Matters Related to Administrative Agencies
5. The Primary Office
6. Matters Related to the Executive Members, etc.
7. Matters Related to the Employees

## **2. Activities**

1. The Status of Activities
2. Matters Related to Board Meetings, etc.

## 1. The Institute

### 1. Date of Incorporation

August 12, 2011

### 2. The Purpose of the Institute Set Forth in the Articles of Incorporation

The purpose of Renewable Energy Institute is to contribute to creating safe and secure living environments which co-exist with nature and a sustainable, recycling-oriented society by promoting the establishment of a society based on renewable energy.

### 3. The Activities of the Institute Set Forth in the Articles of Incorporation

- (1) Promoting wide deployment of renewable energy use
- (2) Research on and recommendation and promotion of policies for the establishment of a society based on renewable energy
- (3) Building, recommendation and promotion of systems and financial/business models that utilize the power of renewable energy-based markets and societies
- (4) Promoting cooperation with those domestic and international organizations acting for the wide deployment of renewable energy use
- (5) Support for the promotion and expansion of renewable energy use
- (6) Developing public relations to enhance the recognition level of renewable energy
- (7) Operations associated with each activity stated above
- (8) Other activities necessary to accomplish the purpose of the Institute

### 4. Matters Related to Administrative Agencies

The Prime Minister of Japan

### 5. The Primary Office

DLX Building 8F, 1-13-1 Nishi-Shimbashi, Minato-ku, Tokyo 105-0003

Tel: 03-6866-1020 Fax: 03-6866-1021

### 6. Matters Related to the Executive Members, etc.

Executive Board: Tomas Kåberger, Chair of the Executive Board  
Takejiro Sueyoshi, Vice-Chair of the Executive Board  
Teruyuki Ohno, Executive Director  
Dörte Fouquet, Board Member  
Amory B. Lovins, Board Member  
Shigeki Miwa, Board Member  
Takamitsu Sawa, Board Member  
David Suzuki, Board Member  
Hiroko Kuniya, Board Member

Auditor: Kiyoshi Matsuo

Council members: Ryuichi Sakamoto  
Naohiko Jinno  
Kiyoshi Kurokawa

### 7. Matters Related to the Employees

Number of the employees: 25

(As of March 31, 2019)

## **1. The Status of Activities**

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### **Events**

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#### **1. Symposium “The Future of Energy Investment after the Paris Agreement: Accelerated Decarbonization Trend”**

May 29, 2018 / Iino Hall & Conference Center

On Tuesday, May 29, the Institute held a symposium to mark the release of a report on Japan’s phase-out of coal-fired power plants. The report, titled “Science based Coal-Phase Out Timeline for Japan,” was compiled by the European think tank Climate Analytics. Climate Analytics provided evidence for the recommendations made by the Powering Past Coal Alliance (PPCA), which was formed at COP 23. The symposium, jointly sponsored by the British Embassy Tokyo and the Embassy of Canada to Japan, was attended by around 300 people.

#### **2. Symposium on Asia International Grid Connection Study Group Second Report**

July 23, 2018 / Iino Hall & Conference Center

The Institute held a symposium that reviewed the Asia International Grid Connection Study Group Second Report and discussed the relevance of, and prospects for, international grid interconnection in Japan. The symposium involved reports from SoftBank Corp. and Korea Electric Power Corporation, both of which are promoting an international transmission line project. This was followed by a panel discussion involving experts from Japan, South Korea and Russia. The symposium was attended by around 210 people.

#### **3. Workshop “Market Modelling Toward Massive Deployment of Variable Renewable Energy”**

July 24, 2018 / AP Shimbashi Toranomom

This workshop shed light on market modelling and grid modelling as well as German experience in renewable energy integration and modelling. The speakers included an energy expert from the German think tank, Agora Energiewende, as well as an expert from the European-based Elia Group. Elia Group is the owner of the German power transmission system operator “50 Hertz,” which has an average share of renewables of about 50% in annual electricity consumption. The workshop was attended by about 60 people largely from power companies in Japan.

#### **4. Workshop on the local introduction of renewables for local government officials**

July 27, 2018 / Sapporo Park Hotel

The Institute and the Renewable Energy Governors’ Alliance co-organized a workshop on renewable energy deployment for local government officials in Sapporo, Hokkaido at the same time that the general meeting of the Alliance was held there. During the workshop, local government policy officials discussed challenges facing their governments with regard to renewable energy deployment as well as possible measures to address them. Renewable Energy Institute provided input on renewable energy.

## **5. Symposium “Decarbonizing Buildings and Housings”**

October 5, 2018 / Base Q, Tokyo Midtown Hibiya

The symposium started off with the keynote address from Dr. Amory B. Lovins on “Integrative Design for Radical Efficiency at Lower Cost,” followed by presentations from a number of experts and practitioners from Japan who are working toward better energy efficiency for buildings. Attended by 301 people, the symposium proved to be a valuable forum for discussing synergies between improving energy efficiency and deploying renewable energy in the building sector.

## **6. Symposium “Offshore Wind: How to Realize High Integration of VRE on the Grid?”**

October 16, 2018 / Base Q (Tokyo Midtown Hibiya)

The Institute organized this symposium to learn from the expertise and experience of Denmark, a country committed to the ambitious goal of meeting national energy demand with renewables alone. Energinet, a grid system operator, and Ørsted, a power company, both from Denmark, introduced the country’s grid operations that enable the massive deployment of variable renewable energy as well as global trends in offshore wind power generation, which has been attracting attention in recent years. The symposium was attended by 350 people.

## **7. COP24 Side Event “Decarbonizing Cities and Communities”**

December 5, 2018 / Narew, COP24 (Katowice, Poland)

Renewable Energy Institute co-organized this event with the Delta Electronics Foundation of Taiwan. The speakers included representatives from the American Council for an Energy-Efficient Economy (ACEEE) and the U.S. Green Building Council. They and other presenters focused on relevant urban policies in the construction and transport sectors, and discussed how such policies can be speeded up and scaled up. The event drew about 100 participants.

## **8. Symposium “Renewables Integration into the Japanese Power Grid by 2030”**

December 17, 2018 / Base Q (Tokyo Midtown Hibiya)

Renewable Energy Institute held this symposium, subtitled “A Frequency Stability and Load Flow Analysis,” to mark the release of the study it worked on with Agora Energiewende and Elia Grid International (EGI) from Germany, titled “Integrating Renewables into the Japanese Power Grid by 2030.” The symposium was attended by 335 people.

## **9. RE-Users Summit 2019 “Corporate Sourcing of Renewables Expanding in the World”**

February 1, 2019 / Roppongi Academy Hills

The speakers at this event included representatives of the Renewable Energy Buyers Alliance (REBA) in the US and the RE-Source Platform of Europe. Japanese companies such as Sony Corporation, Kao Corporation, Ricoh Co., Ltd., Daiwa House Industry, Co., Ltd., and Marui Group Co., Ltd. reported on their activities for the proactive use of renewables. The event, attended by 392 people, mostly senior management, highlighted the growing eagerness of Japanese businesses to procure renewables.

## **10. Symposium “Looking Ahead to 2050 Japan: Industry, Energy and Electricity Generation”**

February 6, 2019 / The Sasakawa Peace Foundation

The Institute organized this symposium in cooperation with the Center for Low Carbon Society Strategy from the Japan Science and Technology Agency, and the Sasakawa Peace Foundation. The speakers were not only from these institutions but also from the Japan Center for Economic Research; the Research Institute of Economy, Trade and Industry; and the Tokyo Foundation for Policy Research. Attended by 290 participants, the symposium proved to be an important event where some of Japan's most influential think tanks gathered to discuss the prospects for decarbonization.

## **11. International Symposium “REvision2019”**

March 6, 2019 / Iino Hall

Subtitled “Renewable Revolution,” this symposium reviewed the ever-growing renewable energy deployment, analyzed changes in businesses and local communities brought about by the wider use of affordable renewables, and highlighted long-term visions toward 2050.

The symposium started off with congratulatory remarks from Foreign Minister Taro Kono, followed by the keynote address “A New World: The Geopolitics of the Energy Transformation” given by Adnan Z. Amin, Director-General of the International Renewable Energy Agency (IRENA). Lively discussion followed in the four sessions, which focused on such issues as energy business transformation, 100% renewable energy, and strategies for a carbon neutral world. The symposium was attended by 618 people.

## **12. Workshop “Japan’s Strategy for Deployment of Offshore Wind”**

March 8, 2019 / Bloomberg L.P.

Together with the Global Wind Energy Council (GWEC) and Bloomberg L.P., the Institute organized a workshop to share global trends in offshore wind power generation. During the panel discussions, representatives from relevant national and local governments, legal specialists, and operators of international businesses already engaged in offshore wind power generation exchanged views on opportunities and challenges in expanding such power generation in Japan. The workshop was attended by 112 people.

## **\* Activities as a Secretariat Organization of JCI**

As a secretariat organization of the Japan Climate Initiative (JCI), the Institute has played an active role in arranging and managing JCI-organized events.

### **13. “Japan Climate Action Summit”**

October 12, 2018 / Toranomon Hills Forum Main Hall

This event featured presentations from the heads of many businesses and local governments as well as company executive directors. Attended by around 700 people chiefly from businesses and local governments, the event provided a major impetus to strengthen the initiatives of Japan’s non-government actors.

### **14. Symposium “How Climate Action in Japan Can Lead the World”**

February 13, 2019 / Toranomon Hills Forum Hall B

Amid growing calls for Japan to fundamentally strengthen measures to combat climate change, JCI invited Ms. Christiana Figueres, former Executive Secretary of UNFCCC, to this symposium to discuss what Japan should do and what kind of long-term strategy it should frame.

<Publication of Recommendation Reports>

**1. Recommendation “Restructuring Japan’s Bioenergy Strategy”** (April 13, 2018)

The introduction of the FiT scheme has accelerated the usage of bioenergy in Japan, notably in the power generation sector. Yet the country faces a number of challenges, such as how to improve inadequate thermal utilization and how to secure the sustainability of bioenergy. The Recommendation reviews the experiences of European countries—which are ahead of Japan in bioenergy use—and puts forward a near-term strategy for each area of bioenergy use.

**2. Recommendation “Renewables as the Major Power Source for Decarbonization”** (May 15, 2018)

The draft of the revised Basic Energy Plan of Japan continues to characterize coal and nuclear power as “important base-load power sources” in its adherence to these technologies. To challenge this adherence, the Recommendation clearly charts the way toward de-carbonization through better energy efficiency and wider deployment of renewables.

**3. Japanese Translation of the Report “Science Based Coal Phase-out Timeline for Japan”** (May 29, 2018)

Renewable Energy Institute released the Japanese version of the report “Science based Coal-Phase Out Timeline for Japan” compiled by Climate Analytics, a European-based policy research institute. The Japanese version, edited by the Institute, includes more detailed descriptions of Japan’s policy trends, including data related to the country’s coal-fired power plants, and energy policy.

**4. Report “Operational Challenges for Reducing Costs in Renewable Energy”** (June 11, 2018)

This report evaluates the outcomes of the revised FIT law of 2017 in Japan and identifies some of the operational challenges facing the FIT scheme for the next several years. Special focus is placed on new measures introduced under the 2017 law, including a measure against non-operating projects and the introduction of multi-year tariffs, tariff targets, and an auction system. Estimates are made of the cost of generating power from renewables in 2017. Based on these discussions, the report identifies the course of action to address operational challenges for the revised FIT law.

**5. Asia International Grid Connection Study Group Second Report** (June 14, 2018)

The second report of the Asia International Grid Connection Study Group proposes specific routes for international transmission lines between Japan and South Korea, and between Japan and Russia, and estimated their construction costs. Estimation and publication of constructions costs for such international transmission lines is the first of its kind in Japan. The report also makes profitability calculations to study how interconnectors can recover the cost of their investment. It further studies a legal and regulatory framework conducive to businesses that utilize interconnections.



**6. Report “Publication of the report Trends and Prospects for EV Expansion—from the Viewpoint of Climate Action”** (June 27, 2018)

This report reviews the current prevalence of EVs as well as the current policies for making them more prevalent and identifies the requirements, challenges, and future directions toward making the growing shift to EVs more effective in the fight against climate change.

**7. Report “Renewable Energy in the US Power Sector; the Other Revolution”** (July 4, 2018)

This report analyses the latest developments in the growing deployment of renewables in the US from different perspectives with relevant data from all the 50 states and introduces some of the measures taken by the federal and state governments to promote such deployment. The report demonstrates that wind and solar power generation is increasing its cost competitiveness and that these renewable sources are definitely reducing CO2 emissions by replacing fossil power generation. (Both the Japanese and English versions of the report were released on this day.)

**8. Info-Pack: Global Trends Toward Exiting from Coal-Fired Power and Japan [Sekitan Karyoku Hatsuden kara Tettai Suru Sekai no Ugoki to Nippon]** (July 20, 2018)

This info-pack focuses on developments surrounding coal-fired power generation in Japan and around the world. It is designed to be useful in making investment and business decisions, and discussing mid- to long-term energy policy. The Institute distributed its copies to 113 businesses, including financial institutions.

**9. Recommendation “How to Improve Non-Fossil Certificates for Easier Use by Businesses Eager to Deploy Renewables [Hikaseki Shosho no Kaizen Saku: Shizen Enerugi wo Suishin Suru Kigyo ga Riyo Shiyasuku]”** (October 3, 2018)

The Institute released this Recommendation so that Non-Fossil Certificates (designated as renewables) will be put to more effective use as a means to increase electric power generated by renewables.

**10. Recommendation “Formulate a Long-term Reduction Strategy that Leads the World in the Decarbonization Process”** (December 11, 2018)

The Recommendation focuses on the basic issues, including the need to meet 100% of power demand with renewables, to phase out coal-fired power plants, and to decarbonize the materials industry as progress was being made in discussions at the government meeting on a Long-Term Strategy under the Paris Agreement as Growth Strategy.

**11. Study Report “Integrating Renewables into the Japanese Power Grid by 2030”** (December 14, 2018)

The Institute released the study it had conducted in collaboration with the German think tank Agora Energiewende and Elia Grid International, a grid operator in Europe (EGI). The study predicts the impact of expanding the deployment of renewables based on two scenarios by 2030: the government scenario and a higher renewables scenario. Predictions are made using both load flow analysis based on supply and-demand simulations and frequency stability analysis based on grid modeling.

**12. Recommendation “For Expansion of Sustainable Solar Power”** (January 7, 2019)

Recent years have seen reports of large-scale solar power projects in forest areas having a negative impact on the natural environment. The Recommendation first provides an overview of solar power expansion in Japan, and then focuses on the background to these problem cases and the measures to be taken to address them.

**13. Renewable Electricity Procurement Guidebook (2nd Ed.)”** (January 10, 2019)

The Institute released the second edition of the Renewable Electricity Procurement Guidebook on efficient procurement of renewables-generated electricity for large power consumers such as businesses and local governments. This was a revision and update of the first edition published in 2018.

**14. Japanese Translation of “How Big is the Energy Efficiency Resource?”** (January 22, 2019)

The Institute released a Japanese translation of “How big is the energy efficiency resource?”—a paper by Dr. Amory B. Lovins of the Rocky Mountain Institute.

**15. Report “The Rise of Renewable Energy and Fall of Nuclear Power: Competition of Low Carbon Technologies”** (Japanese original released on January 23, 2019)

This report examines the current state and future prospects of nuclear power based on data chiefly from international institutions. Analysis of developments in major countries around the world shows that nuclear power is not expanding as a viable option for de-carbonization in any of these countries. (The English translation of this report was published on February 6.)

**16. Contribution to Translating the IRENA Report “A New World: The Geopolitics of the Energy Transformation”** (March 5, 2019)

The Institute released the Japanese translation of “A New World: The Geopolitics of the Energy Transformation,” a report published by the International Renewable Energy Agency (IRENA) in January 2019. The Institute assisted in translating the report.

## <Research Activities>

### **1. Activities of the Asia International Grid Connection Study Group**

The Asia International Grid Connection Study Group, chaired by Professor Tsutomu Oyama at the Yokohama National University, proposed specific routes for international transmission lines between Japan and South Korea, and between Japan and Russia, estimated their construction costs, and studied their viable business models and legal issues. The results were compiled into its second report. The Study Group then briefed businesses and agencies concerned—including the Agency for Natural Resources and Energy, power companies in Japan, and the Korea Electric Power Corporation—on the second report. In late October, the Study Group visited Spain and the UK to study international transmission projects and renewable energy expansion there. In December, the Study Group started its third term of research, which focuses on energy security and cost-benefit analysis for international power grids.

### **2. Promotion of Discussions toward Achieving International Grid Connections in Asia**

In September 2018, the Institute organized a workshop for power companies in Japan and South Korea. In October, Tomas Kåberger, Chair of the Institute’s Executive Board, participated in a GEIDCO-sponsored forum on energy cooperation in Northeast Asia. In the same month, the Institute participated in a relevant symposium organized by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and contributed to discussions toward achieving international grid connections in Asia. In addition, the Institute actively participated in research activities by the Asian Development Bank (ADB). For example, the Institute supported the ADB’s technical assistance study on “Strategy for Northeast Asia Power System Interconnection” by providing information as the Japanese coordinator.

### **3. Participation in the Central Government’s Study Groups on Climate Change Management**

During the year, a number of officials at the Institute participated in central and local government study groups on climate change as both members and speakers. Executive Board Vice-Chair Takejiro Sueyoshi and Director Mika Ohbayashi sat on the Advisory Panel to the Foreign Minister on Climate Change, which submitted their Recommendations on Climate Change on April 19. Executive Director Teruyuki Ohno participated in the subcommittee on carbon pricing and other issues under the Central Environment Council.

### **1. Establishment of the Japan Climate Initiative (JCI) and Activities as a Secretariat Organization of JCI**

Renewable Energy Institute played a pivotal role in the establishment on July 6, 2018 of the Japan Climate Initiative (JCI), a network-type organization involving a wide range of businesses, local governments, and NGOs in Japan. After establishment, the Institute played an active role in JCI as one of the secretariat organizations, the others being WWF Japan and CDP Japan. Takejiro Sueyoshi, Vice-Chair of the Institute's Executive Board, assumed the post of representative of JCI. Participants include many of Japan's leading corporations, various medium- to small-sized enterprises, governments of Tokyo, Yokohama, Kyoto and other local governments, and the Japanese Consumers' Co-operative Union. JCI's activities are not confined to Japan. It sent a delegation to the Global Climate Action Summit (GCAS) in San Francisco in September 2018 and to COP24 in Poland in December to share its activities in Japan. JCI's membership more than tripled by the end of March from the 105 founding members.

### **2. Promotion of Renewables in the Corporate Sector**

On April 17, 2018, the Institute launched the Renewable Energy Users Network (RE-Users) chiefly for the environment and energy procurement departments of businesses with a view to increasing the corporate use of renewables. During the year, the Institute sent monthly newsletters to participants in this network in order to update them on how to procure and use renewables. It also held three information exchange meetings, on an invitation basis, involving the environment and energy procurement departments of corporate users. On February 1, 2019, the Institute held the RE-Users Summit 2019.

Moreover, the Institute played a central role in designing and managing the Green Buildings Promotion Forum, which seeks to minimize the energy consumption of buildings. It also had its officials participate in symposia and seminars as speakers and worked to build cooperative relations with other organizations committed to improving energy efficiency.

### **3. Collaboration with Local Governments**

During the year, the Institute assisted both the Renewable Energy Governors' Alliance and the Renewable Energy Governors' Alliance for Designated Cities in preparing policy recommendations to be submitted to the central government. The Institute held a "Workshop on the local introduction of renewables for local government officials" on the sidelines of the general meeting of the Renewable Energy Governors' Alliance held in Sapporo in July. In February 2019, the Institute held public hearings and exchanged views with local people in Iwate, Hyogo and Okayama prefectures.

The Institute participated in various study groups within Tokyo and other local governments, thus contributing to the policymaking and institution building of these governments.

### **4. Study Meetings with Diet Members and Roundtable Meetings with the Media**

During the year, the Institute held study meetings and roundtable meetings for Diet members, the media, government offices, and energy-related institutions to provide them with the opportunity to learn about the latest developments in other countries and new insights from Japan and elsewhere. The idea was to deepen policy discussion in the Diet and to better communicate the Institute's views. During fiscal 2018, the Institute held six roundtable meetings with the media:

On the Asia International Grid Connection Study Group on ASG	June 19, 2018	Venue: AP Shimbashi Toranomom	29 participants
On growing global efforts to combat climate change	August 8, 2018	Venue: AP Shimbashi Toranomom	31 participants
On electricity markets and energy policies in Europe in general and Germany in particular	December 18, 2018	Venue: TKP Shimbashi Conference Center	15 participants
On recommendations for long-term reduction strategies and initiatives of global foundations (F20) toward G20	December 20, 2018	Venue: AP Toranomom	14 participants
On the declining competitiveness of nuclear power	January 24, 2019	Venue: AP Toranomom	39 participants
On climate change and energy policies of Europe and China	March 7, 2019	Venue: TKP Shimbashi Conference Center	17 participants

## 5. Collaboration with Overseas Research Institutions etc.

On November 29, 2018, the Institute signed a memorandum of understanding (MOU) on mutual cooperation with the Korea Energy Economics Institute (KEEI) to promote academic exchanges for sustainable energy development as well as better understanding and development of joint research activities. During the year, the Institute continued to work with many international organizations, including the International Renewable Energy Agency, REN21, the Rocky Mountain Institute, and Agora Energiewende.

## 6. Information Provision on the Institute's Website

In June 2018, the Institute launched a new series of case study reports on corporate best practices for renewables deployment at RE100 member companies and others in Japan, including ASKUL, Aeon, Daiwa House Industry, Sony, IKEA Group, Fujitsu, Apple, and Marui Group.

Updates in the existing categories:

Column “Renewables Update”:

17 articles that provide the latest information and present issues on energy policy

Report on the application of renewables:

During the year, the Institute reported on eight cases in a series of case studies that feature field reports from local renewable energy projects, with special focus on how the project implementers have overcome the challenges they faced.

Statistics:

The Institute remained committed to providing energy-related numerical information.

## 7. Lectures / Posting

The Institute’s executive members and researchers gave many lectures to individual requests and contributed articles to newspapers and magazines. Moreover, the Institute actively cooperated with interviews of major media including NHK, Asahi, and Nikkei and made efforts for information provision through media. Covered in 355 articles during FY2018.

## **2. Matters Related to Board Meetings, etc.**

The Institute held the following meetings during this term:

### **Board meetings:**

The 44th Executive Board Meeting held on 12 June 2018

Agenda: Submission of draft resolutions to the Council, Deemed adoption of resolutions by holding a Council meeting in writing, Entrustment of the preparation of a list of Board Member candidates, Approval of financial statements for the 7th term, Submission of financial statements to the Cabinet Office

The 45th Executive Board Meeting held on 27 June 2018

Agenda: Election of Chiefs of Executive Board, Election of Chair and Vice-Chair of Executive Board, Election of Managing Board Member and Executive Director, Setting Order of Executive Board Members in case of emergency, Determining Amount of Remuneration paid to Executive Board Members

The 46th Executive Board Meeting held on 5 September 2018

(Reportable items only)

The 47th Executive Board Meeting held on 1 March 2019

Agenda: Development of the FY2019 business plan and budget, Decision on the schedule for FY2019 regular Executive Board Meetings

### **Council meetings:**

The 12nd Council meeting held on 27 June 2018

Agenda: Selection of Board Members, Compensation for Directors, Approval of closing statements for the 7th term

# Balance Sheet

At 31 March, 2019

(Unit:Yen)

Items	FY2018	FY2017	Changes
<b>I Assets</b>			
1. Current assets			
Account Receivable - other	0	9,446,165	△ 9,446,165
Advance payments	600,993	222,179	378,814
Advances paid	1,018,295	4,906,198	△ 3,887,903
Prepaid expense	3,301,959	3,312,759	△ 10,800
<b>Total current assets</b>	<b>4,921,247</b>	<b>17,887,301</b>	<b>△ 12,966,054</b>
2. Other fixed assets			
(1) Specified Asset			
Fund for Public interest Business	352,541,339	252,579,363	99,961,976
Fund for Administrarion	50,757,133	83,466,495	△ 32,709,362
<b>Total Specified Asset</b>	<b>403,298,472</b>	<b>336,045,858</b>	<b>67,252,614</b>
(2) Other fixed assets			
Leasehold improvement	15,347,025	16,856,511	△ 1,509,486
Equipment and fixtures	8,592,767	10,454,399	△ 1,861,632
Security deposit	30,606,800	30,606,800	0
Software	519,872	1,039,740	△ 519,868
<b>Total other fixed assets</b>	<b>55,066,464</b>	<b>58,957,450</b>	<b>△ 3,890,986</b>
<b>Total fixed assets</b>	<b>458,364,936</b>	<b>395,003,308</b>	<b>63,361,628</b>
<b>Total assets</b>	<b>463,286,183</b>	<b>412,890,609</b>	<b>50,395,574</b>
<b>II Liabilities</b>			
1. Current liabilities			
Account payables	21,269,520	27,559,662	△ 6,290,142
Account payables-Labor Insurance	3,678,252	3,710,879	△ 32,627
Deposit received	2,464,143	2,727,161	△ 263,018
Income tax deposit received	1,165,157	1,129,719	35,438
Tax Payable etc	0	70,000	△ 70,000
<b>Total current liabilities</b>	<b>28,577,072</b>	<b>35,197,421</b>	<b>△ 6,620,349</b>
<b>Total fixed liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>28,577,072</b>	<b>35,197,421</b>	<b>△ 6,620,349</b>
<b>III Net assets</b>			
1. Designated net assets			
Private grant	10,546,748	6,605,801	3,940,947
Donation	424,162,363	371,087,387	53,074,976
<b>Total designated net assets</b>	<b>434,709,111</b>	<b>377,693,188</b>	<b>57,015,923</b>
<b>Total net assets</b>	<b>374,721,400</b>	<b>300,848,437</b>	<b>73,872,963</b>
2. General net assets	0	0	0
<b>Total net assets</b>	<b>434,709,111</b>	<b>377,693,188</b>	<b>57,015,923</b>
<b>Total liabilities and net assets</b>	<b>463,286,183</b>	<b>412,890,609</b>	<b>50,395,574</b>

## Itemized List for the Balance Sheet

31 March, 2019

(Unit : Yen)

Items	Public interest Business Accounting	Profitable Business Accounting	Administrative Accounting	Total
<b>I Assets</b>				
1. Current assets				
Advance payments - other	600,993	0	0	600,993
Advances paid	1,018,295	0	0	1,018,295
Prepaid expense	2,345,715	0	956,244	3,301,959
<b>Total current assets</b>	<b>3,965,003</b>	<b>0</b>	<b>956,244</b>	<b>4,921,247</b>
2. Other fixed assets				
(1) Specified Asset				
Fund for Public interest Business	198,710,840	0	153,830,499	352,541,339
Fund for Administration	0	0	50,757,133	50,757,133
<b>Total Specified Asset</b>	<b>198,710,840</b>	<b>0</b>	<b>204,587,632</b>	<b>403,298,472</b>
(2) Other fixed assets				
Leasehold improvement	10,742,917	0	4,604,108	15,347,025
Equipment and fixtures	6,014,938	0	2,577,829	8,592,767
Security deposit	28,158,800	0	2,448,000	30,606,800
Software	363,911	0	155,961	519,872
<b>Total other fixed assets</b>	<b>45,280,566</b>	<b>0</b>	<b>9,785,898</b>	<b>55,066,464</b>
<b>Total fixed assets</b>	<b>243,991,406</b>	<b>0</b>	<b>214,373,530</b>	<b>458,364,936</b>
<b>Total assets</b>	<b>247,956,409</b>	<b>0</b>	<b>215,329,774</b>	<b>463,286,183</b>
<b>II Liabilities</b>				
1. Current liabilities				
Account payables	20,291,439	0	978,081	21,269,520
Account payables-Labor Insurance	3,017,185	0	661,067	3,678,252
Deposit received	2,026,562	0	437,581	2,464,143
Income tax deposit received	1,017,743	0	147,414	1,165,157
<b>Total current liabilities</b>	<b>26,352,929</b>	<b>0</b>	<b>2,224,143</b>	<b>28,577,072</b>
<b>Total fixed liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>26,352,929</b>	<b>0</b>	<b>2,224,143</b>	<b>28,577,072</b>
<b>III Net assets</b>				
1. Designated net assets				
Private grant	10,546,748	0	0	10,546,748
Donation	211,056,732	0	213,105,631	424,162,363
<b>Total designated net assets</b>	<b>221,603,480</b>	<b>0</b>	<b>213,105,631</b>	<b>434,709,111</b>
(Amount allocated to specified assets)	172,357,911	0	202,363,489	374,721,400
2. General net assets	0	0	0	0
<b>Total net assets</b>	<b>221,603,480</b>	<b>0</b>	<b>213,105,631</b>	<b>434,709,111</b>
<b>Total liabilities and net assets</b>	<b>247,956,409</b>	<b>0</b>	<b>215,329,774</b>	<b>463,286,183</b>



## Changes of Net Assets

From April 1st, 2018 to March 31st, 2019

Items	FY2018	FY2017	Changes
			(Unit: yen)
<b>I Change in general net assets</b>			
<b>I Change in ordinary profit</b>			
(1) Ordinary profit			
<b>Bussiness Profit</b>	0	75,276	△ 75,276
Publication	0	75,276	△ 75,276
<b>Subsidy etc. received</b>	46,127,734	19,719,418	26,408,316
Subsidy received	38,871,933	10,263,143	28,608,790
Transfer from subsidy etc. received	6,605,801	6,644,275	△ 38,474
Japan Fund for Global Environment	0	2,162,000	△ 2,162,000
Grant-in-Aid for Scientific Research	650,000	650,000	0
<b>Donation</b>	346,990,421	335,863,471	11,126,950
Contribution received	65,401	77,500	△ 12,099
Transfer from designated net assets	346,925,020	335,785,971	11,139,049
<b>Miscellaneous Income</b>	10,649,613	12,132,213	△ 1,482,600
Received Interest	5,159	4,138	1,021
Miscellaneous Income	8,876,027	9,031,219	△ 155,192
Consulting fee	1,768,427	3,096,856	△ 1,328,429
<b>Total ordinary profit</b>	403,767,768	367,790,378	35,977,390
(2) Ordinary Expense			
<b>Operating expenses</b>	342,663,405	305,663,750	36,999,655
Executive remuneration	12,999,109	13,726,902	△ 727,793
Wage and allowance	129,476,096	126,899,223	2,576,873
Temporary staff wages	383,921	0	383,921
Legal welfare	18,791,953	18,413,023	378,930
Temporary staff costs	0	553,566	△ 553,566
Meeting expenses	9,209,694	5,630,431	3,579,263
Social Expense	89,840	112,798	△ 22,958
Travel and transportation expenses	41,886,842	35,043,381	6,843,461
Cost for Publication	0	5,460	△ 5,460
Communication and Transportation Expense	4,187,090	4,198,671	△ 11,581
Depreciation expense	3,896,353	4,482,252	△ 585,899
Consumables and fixtures expenses	404,938	721,233	△ 316,295
Books and subscription	9,769,799	9,057,370	712,429
Membership fee	1,797,846	910,964	886,882
Print expense	2,876,900	6,471,604	△ 3,594,704
Utility expenses	779,752	746,536	33,216
Leasing Expense	28,263,816	28,375,056	△ 111,240
Insurance	116,390	69,250	47,140
Taxes and dues	32,000	2,000	30,000
Remuneration paid	15,253,979	12,749,260	2,504,719
Commission Paid	217,202	594,254	△ 377,052
Outsourcing and commission	62,229,885	36,900,516	25,329,369
<b>Administration expenses</b>	61,104,363	62,056,628	△ 952,265
Executive remuneration	1,444,352	1,525,212	△ 80,860
Wage and allowance	28,349,618	27,787,976	561,642
Legal welfare	4,363,835	4,292,427	71,408
Education and training expenses	2,003,154	1,024,920	978,234
Welfare expense	1,135,462	1,629,663	△ 494,201
Meeting expenses	37,250	27,346	9,904
Social Expense	20,131	84,728	△ 64,597
Travel and transportation expenses	391,829	1,286,550	△ 894,721
Communication and Transportation Expense	3,015,493	2,435,167	580,326
Depreciation expense	1,669,867	1,920,965	△ 251,098
Consumables and fixtures expenses	583,546	1,753,047	△ 1,169,501
Books and subscription	0	4,052	△ 4,052
Repair and maintenance	36,504	0	36,504
Membership fee	1,782	0	1,782
Print expense	379,049	510,632	△ 131,583
Utility expenses	584,744	613,658	△ 28,914
Leasing Expense	12,521,104	12,500,815	20,289
Insurance	36,700	36,700	0
Taxes and dues	324,400	372,050	△ 47,650
Remuneration paid	2,734,451	2,107,979	626,472
Commission Paid	608,878	545,970	62,908
Outsourcing commission	789,236	1,523,791	△ 734,555
Miscellaneous expenses	72,978	72,980	△ 2
<b>Total ordinary expenses</b>	403,767,768	367,720,378	36,047,390
<b>Current Change in Ordinary profit before</b>	0	70,000	△ 70,000
<b>Total Appraised loss and profit</b>	0	0	0
<b>Current Change in Ordinary profit</b>	0	70,000	△ 70,000
2. Extraordinary profit			
(1) Extraordinary profit			
Contribution received	4	0	4
Transfer from designated net assets	4	0	4
<b>Total Extraordinary profit</b>	4	0	4
(2) Extraordinary expenses			
Loss on retirement of noncurrent assets	4	0	4
Loss on retirement of tools, furniture & fixtures	4	0	4
<b>Total Extraordinary expense</b>	4	0	4
<b>Current change in extraordinary profit</b>	0	0	0
<b>Current change in general net assets</b>	0	70,000	△ 70,000
Corporate and Residents tax	0	70,000	△ 70,000
<b>Current change in general net assets</b>	0	0	0
<b>Beginning balance of general net assets</b>	0	0	0
<b>Ending balance of general net assets</b>	0	0	0
<b>II Change in designated net assets</b>			
Subsidy etc. received	10,546,748	6,605,801	3,940,947
Subsidy received	10,546,748	6,605,801	3,940,947
<b>Donation</b>	400,000,000	400,000,000	0
Contribution received	400,000,000	400,000,000	0
Transfer to general net assets	△ 353,530,825	△ 342,430,246	△ 11,100,579
Transfer to general net assets	△ 353,530,825	△ 342,430,246	△ 11,100,579
<b>Current change in designated net assets</b>	57,015,923	64,175,555	△ 7,159,632
<b>Beginning balance of designated net assets</b>	377,693,188	313,517,633	64,175,555
<b>Ending balance of designated net assets</b>	434,709,111	377,693,188	57,015,923
<b>III Ending total net assets</b>	434,709,111	377,693,188	57,015,923

## Itemized List for the Changes of Net Assets

From April 1st, 2018 to March 31st, 2019

(Unit : yen)

Items	Public interest Business Accounting	Profitable Business Accounting	Administrative Accounting	Total
<b>I Change in general net assets</b>				
<b>I Change in ordinary profit</b>				
(1) Ordinary profit				
<b>Subsidy etc. received</b>	<b>46,127,734</b>	<b>0</b>	<b>0</b>	<b>46,127,734</b>
Subsidy received	38,871,933	0	0	38,871,933
Transfer from subsidy etc. received	6,605,801	0	0	6,605,801
Grant-in-Aid for Scientific Research	650,000	0	0	650,000
<b>Donation</b>	<b>286,087,494</b>	<b>0</b>	<b>60,902,927</b>	<b>346,990,421</b>
Contribution received	65,401	0	0	65,401
Transfer from designated net assets	286,022,093	0	60,902,927	346,925,020
<b>Miscellaneous Income</b>	<b>10,448,177</b>	<b>0</b>	<b>201,436</b>	<b>10,649,613</b>
Received Interest	5,159	0	0	5,159
Miscellaneous Income	8,674,591	0	201,436	8,876,027
Consultant fee	1,768,427	0	0	1,768,427
<b>Total ordinary profit</b>	<b>342,663,405</b>	<b>0</b>	<b>61,104,363</b>	<b>403,767,768</b>
(2) Ordinary Expense				
<b>Operating expenses</b>	<b>342,663,405</b>	<b>0</b>	<b>0</b>	<b>342,663,405</b>
Executive remuneration	12,999,109	0	0	12,999,109
Wage and allowance	129,476,096	0	0	129,476,096
Temporary staff wages	383,921	0	0	383,921
Legal welfare	18,791,953	0	0	18,791,953
Meeting expenses	9,209,694	0	0	9,209,694
Social Expense	89,840	0	0	89,840
Travel and transportation expenses	41,886,842	0	0	41,886,842
Communication and transportation Expense	4,187,090	0	0	4,187,090
Depreciation expense	3,896,353	0	0	3,896,353
Consumables and fixtures expenses	404,938	0	0	404,938
Books and subscription	9,769,799	0	0	9,769,799
Membership fee	1,797,846	0	0	1,797,846
Print expense	2,876,900	0	0	2,876,900
Utility expenses	779,752	0	0	779,752
Leasing Expense	28,263,816	0	0	28,263,816
Insurance	116,390	0	0	116,390
Remuneration paid	32,000	0	0	32,000
Commission Paid	15,253,979	0	0	15,253,979
Donations expense	217,202	0	0	217,202
Outsourcing and commission	62,229,885	0	0	62,229,885
<b>Administration expenses</b>	<b>0</b>	<b>0</b>	<b>61,104,363</b>	<b>61,104,363</b>
Executive remuneration	0	0	1,444,352	1,444,352
Wage and allowance	0	0	28,349,618	28,349,618
Legal welfare	0	0	4,363,835	4,363,835
Education and training expenses	0	0	2,003,154	2,003,154
Welfare expense	0	0	1,135,462	1,135,462
Meeting expenses	0	0	37,250	37,250
Social Expense	0	0	20,131	20,131
Travel and transportation expenses	0	0	391,829	391,829
Communication and transportation Expense	0	0	3,015,493	3,015,493
Depreciation expense	0	0	1,669,867	1,669,867
Consumables and fixtures expenses	0	0	583,546	583,546
Repair and maintenance	0	0	36,504	36,504
Membership fee	0	0	1,782	1,782
Print expense	0	0	379,049	379,049
Utility expenses	0	0	584,744	584,744
Leasing Expense	0	0	12,521,104	12,521,104
Insurance	0	0	36,700	36,700
Taxes and dues	0	0	324,400	324,400
Remuneration paid	0	0	2,734,451	2,734,451
Commission Paid	0	0	608,878	608,878
Outsourcing commission	0	0	789,236	789,236
Miscellaneous expenses	0	0	72,978	72,978
<b>Total ordinary expenses</b>	<b>342,663,405</b>	<b>0</b>	<b>61,104,363</b>	<b>403,767,768</b>
<b>Current Change in Ordinary profit before</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Appraised loss and profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current Change in Ordinary profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2. Extraordinary profit				
(1) Extraordinary profit				
<b>Total Extraordinary profit</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>4</b>
(2) Extraordinary expenses	3	0	1	4
Transfer from designated net assets	3	0	1	4
<b>Total Extraordinary expense</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>4</b>
<b>Current change in extraordinary profit</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>4</b>
<b>Transfer amount to another account</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>4</b>
<b>Current change in general net assets</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>4</b>
<b>Corporate and Residents tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current change in general net assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Beginning balance of general net assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending balance of general net assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>II Change in designated net assets</b>				
<b>Subsidy etc. received</b>	<b>10,546,748</b>	<b>0</b>	<b>0</b>	<b>10,546,748</b>
Subsidy received	10,546,748	0	0	10,546,748
<b>Donation</b>	<b>280,000,000</b>	<b>0</b>	<b>120,000,000</b>	<b>400,000,000</b>
Contribution received	280,000,000	0	120,000,000	400,000,000
<b>Transfer to general net assets</b>	<b>△ 292,627,897</b>	<b>0</b>	<b>△ 60,902,928</b>	<b>△ 353,530,825</b>
Transfer to general net assets	△ 292,627,897	0	△ 60,902,928	△ 353,530,825
<b>Current change in designated net assets</b>	<b>△ 2,081,149</b>	<b>0</b>	<b>59,097,072</b>	<b>57,015,923</b>
<b>Beginning balance of designated net assets</b>	<b>223,684,629</b>	<b>0</b>	<b>154,008,559</b>	<b>377,693,188</b>
<b>Ending balance of designated net assets</b>	<b>221,603,480</b>	<b>0</b>	<b>213,105,631</b>	<b>434,709,111</b>
<b>III Ending total net assets</b>	<b>221,603,480</b>	<b>0</b>	<b>213,105,631</b>	<b>434,709,111</b>

## List of Property

At Mar. 31st, 2019

(Unit:Yen)

Balance sheet items		Place • Quantity etc.	Purpose of Possession etc.	Amount
(Current Asset)	Advance payments		2019 Operating expenses prepayment	600,993
	Advances paid		Deutsches Institut für Entwicklungspolitik (DIE) etc.	1,018,295
	Prepaid expense	Mitsubishi Real Estate Services Co., Ltd.	Office rent April, 2018	3,301,959
		NSS.Offisteria	Kyoto office rent April, 2018	3,187,479
				114,480
<b>Total Current Assets</b>				<b>4,921,247</b>
(Fixed Asset)	Specified Asset			
	Fund for Public interest		As for Operating fund	<b>352,541,339</b>
		Mizuho Bank		
		3514672		1,145,439
		3514877		999,122
		Rakuten Bank		350,000,000
		7107035		
	Fund for Profitable Business		As for Operating fund	396778
		Mizuho Bank		
		5320321		50,757,133
Other Fixed Asset	Leasehold improvement	Interior construction cost of Office	Used for office	
	Equipment and fixtures	construction costs of office	Used for office	15,347,025
	Security deposit	DOWA LINE CO.,LTD.	Security deposit for office	8,592,767
		DLX building 8F		30,606,800
	Software		Security software	519,872
<b>Total Fixed Assets</b>				<b>458,364,936</b>
<b>Total Assets</b>				<b>463,286,183</b>
(Current Liability)	Account Payable		Payable for Public interest and administration in March	21,269,520
	Account Payable		February, March social insurance	3,678,252
	Deposit received			2,464,143
			Will be paid in Apr, 2017 (February social Insurance)	1,843,243
			Will be paid in Apr, 2017 (March residents tax)	620,900
	Income tax deposit received		Will be paid in Apr, 2017	1,165,157
<b>Total Current Liabilities</b>				<b>28,577,072</b>
<b>Total Long-term Liabilities</b>				<b>0</b>
<b>Total Liabilities</b>				<b>28,577,072</b>
<b>Net Assets</b>				<b>434,709,111</b>

## Detailed statement

### 1. Details of Basic Assets and Specified Assets

(Unit : yen)

Category	Asset type	Beginning balance	Increased in FY2018	Decreased in FY2018	Ending balance
Basic Asset					
	Total Basic Assets	0	0	0	0
Specified Asset	Fund for Public interest	252,579,363	1,402,065,447	1,302,103,471	352,541,339
	Fund for Administrarion	83,466,495	982,900,039	1,015,609,401	50,757,133
	Total Specified Assets	336,045,858	2,384,965,486	2,317,712,872	403,298,472

### 2. Details of Reserve fund

None

## Notes for Financial statements

### 1. Accounting Policy

#### (1) Depreciation method for fixed asset

Leasehold improvement (Acquired before March 31, 2016) ・Declining balance method  
 Equipment and fixtures (Acquired before March 31, 2016) ・Declining balance method  
 Leasehold improvement (Acquired after April 1, 2016) ・ ・ ・ ・ ・ Straight line method  
 Software (Acquired after April 1, 2016) ・ ・ ・ ・ ・ Straight line method

#### (2) Lease transaction

lease claims in ownership-transfer finance lease transactions  
 ・ ・ ・ ・ Treated as ordinary lease transaction

#### (3) Consumption tax

Tax-included method

### 2. Change and Ending balance of Basic assets and Specified assets are as follows.

(Unit : Yen)

Item	Ending balance FY2017	Increased in FY2018	Decreased in FY2018	Ending balance FY2018
Basic assets				
Total	0		0	0
Specified assets				
Fund for Public interest	252,579,363	1,402,065,447	1,302,103,471	352,541,339
Fund for Administration	83,466,495	982,900,039	1,015,609,401	50,757,133
Total	336,045,858	2,384,965,486	2,317,712,872	403,298,472
Grand total	336,045,858	2,384,965,486	2,317,712,872	403,298,472

### 3. Financial resources for Basic assets and Specified assets are as follows.

(Unit : Yen)

Items	Ending balance FY2018	(Transferred from Designated net assets)	(Transferred from General net assets)	(Amount correspond to liabilities)
Basic assets				
Total	0	0	0	0
Specified assets				
Fund for Public interest	352,541,339	326,188,410		26,352,929
Fund for Administration	50,757,133	48,532,990	0	2,224,143
Total	403,298,472	374,721,400	0	28,577,072
Grand total	403,298,472	374,721,400	0	28,577,072

4. Acquisition price, Accumulated depreciation, and ending balance of Fixed Assets are as follows.

(Unit : Yen)

Item	Acquisition price	Accumulated depreciation	Ending balance
Leasehold improvement	19,111,289	3,764,264	15,347,025
Equipment and fixtures	19,826,127	11,233,360	8,592,767
Software	2,599,344	2,079,472	519,872
Total	41,536,760	17,077,096	24,459,664

5. Breakdown of grants, and the subsidizers, increases and decreases during the current term, and the balance are shown below:

(Unit : Yen)

Name of Grant	Subsidizer	Ending balance FY2017	Increased in FY2018	Decreased in FY2018	Ending balance FY2018	Classification on Balance Sheet
Grant received from a private institution	European Climate Foundation (ECF)	4,720,134	756,756 4,598,925	756,756 4,720,134	4,598,925	Designated Net Asset
	ClimateWorks Foundation		33,075,000	28,042,844	5,032,156	
	Growald Family Fund	1,885,667	10,988,000	11,958,000	915,667	
Grant-in-Aid for Scientific Research	Ryukoku University		650,000	650,000	0	
Total		6,605,801	50,068,681	46,127,734	10,546,748	

6. Details of transfer from Specified net asset to General net asset are as follows.

(Unit : Yen)

Detail	Amount
Transfer to Ordinary profit	
Transfer donation received to General net asset	353,530,825
Total	353,530,825