

# **Activity Report for the 7th Term**

From: April 1, 2017  
To: March 31, 2018

**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: 23

(As of March 31, 2018)

## 2. Activities

### 1. The Status of Activities

---

#### Events

---

1. **International Symposium “Future of Power Business with Interconnections in Asia”**  
**Development of discussion based on “The Asia International Grid Connection Study Group Interim Report”**

17 May, 2017 / Toranomon Hills Forum

The symposium introduced the contents of “The Asia International Grid Connection Study Group Interim Report,” and Mr. Bert Maes of elia, which has developed an international transmission business in Europe, delivered a lecture themed on “International Grid Connection and New Transmission Business.” The symposium was attended by 250 participants, including personnel related to power companies.

2. **Symposium “Development of Electricity System towards Further Deployment of Renewables in Hokkaido”**

19 May 2017 / ACU-A (Sapporo City)

In Hokkaido, a great potential of onshore wind power exists, but the use of such power has not progressed, because power companies restrict the grid connection. Through the introduction of European experiences, the Institute showed that greater deployment of renewables would be possible through efficient grid operation and further development of grids. A total of 200 regional energy-related companies and concerned citizens participated. Co-organized with the Renewable Energy Organization of Hokkaido

3. **Bioenergy International Symposium**

**[TOKYO]** Bioenergy as a strategy for decarbonized economy —Latest findings from the European trends

**[NAGANO]** Woody biomass transforming the local energy system —Learning from global experiences

22 May at International House of Japan (Tokyo) / 24 May at Wakasato Municipal Cultural Hall (Nagano)

On the occasion of the annual assembly meeting of the World Bioenergy Association (WBA) in Japan, the Institute hosted two international conferences, in Tokyo and Nagano City. Some concerns were raised by overseas participants for the ways of biomass power generation in Japan, which is dedicated to power generation without using heat. Participated by 150 in Tokyo and 157 in Nagano.

4. **Public Briefing**

**For Tokyo 2020 SDGs “Olympic and Paralympic Games Sustainability Plan Ver. 2”—Sharing Information with Companies**

14 September 2017 / 3×3 Lab Future Salon

A public briefing was held concerning “the Tokyo 2020 Olympic and Paralympic Games Sustainability Plan Ver. 2 (planned to be published in March 2018),” which was required to be specific when considering that there were less than three years remaining to the Games. The briefing was co-organized with the Sustainable Business Women, the Global Environmental Forum and the Sustainable Sport NGO and NPO Network. About 170 persons participated in the briefing.

5. **Seminar “Renewable Energy Enhances Corporate Value”**

25 October 2017 / Iino Hall & Conference Center

The seminar was jointly organized with CDP Japan. Mr. Paul Dickinson, Executive Chair, CDP explained that companies adopting sustainable business practices are increasingly becoming important considerations for investors and they value the utilization of renewables. Also, Ms. Christine Lins, Executive Secretary, REN21 introduced the latest global trends of renewables. In addition to the above, a panel discussion was held by inviting panelists from financial institutions, companies, the Ministry of Economy, Trade and Industry, and renewable energy business operators in Japan. About 200 persons participated in the seminar.

## **6. Symposium “Great Debates Towards 100% Renewable Energy”**

27 October 2017 / Nippon Press Center

The Institute held a symposium, where Ms. Christine Lins, Executive Secretary of REN 21, introduced “Renewables Global Futures Report, GFR” published by REN 21 in April 2017. After her presentation, a discussion with Japanese experts followed. The symposium attracted about 110 participants.

## **7. International Conference “Asia Super Grid – from concept to reality for North East Asia”**

30 October 2017 / The Plaza (Seoul, Korea)

In the conference under a subtitle “from concept to reality,” government officials and representatives from research institutions and companies promoting energy interconnections from South Korea, Japan, China, and Mongolia gathered and discussed the path toward the realization of power interconnection in Asia. The keynote speech was given by Member of Parliament Song Young-gil, Chairperson, South Korea’s Presidential Committee on Northern Economic Cooperation, newly created by President Moon to promote economic cooperation in Northeast Asia. The conference was organized by Renewable Energy Institute and co-organized by Korea Institute of Energy Research, Asian Development Bank (ADB), South Korea’s Presidential Committee on Northern Economic Cooperation and South Korea’s Ministry of Trade, Industry and Energy. Attended by about 200 persons.

## **8. COP23 Official Side Event Energy Transition and Low Carbon Developments in North East Asia—China, South Korea, Japan”**

7 November 2017 / COP23 Bonn Zone (Germany)

The Institute organized the COP 23 official side event jointly with Tsinghua University, China and Climate Change Center, South Korea. Current status on energy transition in North East Asia represented by China, South Korea, and Japan was introduced and ways to further activate climate change measures were explored. Participants were about 50 persons.

## **9. Workshop “Large-scale Integration of Variable Renewables for Grid Companies”**

27 & 28 November 2017 / Iino Hall & Conference Center

The Institute held a workshop by inviting an expert from Elia Grid International (EGI), a daughter company of the Elia Group, a 50 Hertz transmission system operator (TSO) in Germany, as a lecturer. In the workshop, the proper power market design, cooperation mechanisms between grid operators, and the importance of positioning grid operators in large scale integration of renewables were explained. Personnel in charge of grid operation from eight companies out of ten existing power companies in Japan participated in the workshop. A total 60 persons participated.

## **10. Cerebration Symposium of Director Mika Ohbayashi’s ISES 2017 Global Leadership Award in Advancing Solar Energy Policy**

5 December 2017 / TKP Garden City Takebashi

The institute celebrated Director Mika Ohbayashi’s ISES 2017 Global Leadership Award in Advancing Solar Energy Policy by holding a symposium and a celebration party. At the symposium a commemorative panel discussion “Renewable Energy in Japan: from now and future” were held. The circumstances in which renewable energies have been introduced in Japan and development of policies were discussed. Attended by 145 people working in the area of renewable energy.

## **11. International Symposium**

### **“REvision2018: Towards Massive Deployment of Low Cost, Renewable Electricity”**

7 March 2018 / Iino Hall

The institute invited multiple leading experts from energy business such as power companies and corporations in addition to energy experts from IEA. A discussion was also held on how new energy business should be developed from Japan in response to changes made around the world. Attended by 607 persons.

An Experts’ Meeting were also held on a day before, 6 March. The occasion was participated by selected members centering around experts visited Japan for the Symposium for in-depth discussion. Attended by 77 persons.

## **12. International Workshop “Getting Power from Wind and Sun”**

8 March 2018 / Iino Hall & Conference Center

A grid operation is required to be in coordination with the electricity market, to enable massive integration of variable renewables. Session 1 discussed experiences and challenges of integrating renewables to grids, followed by Session 2 which discussed deployment of renewables through grid interconnection across Asia, with a focus on the ‘Strategy for Northeast Asia Power System Interconnection.’ Jointly organized with the Ministry of Energy of Mongolia and the Asia Development Bank jointly organized. Attended by 207 persons.

## **13. Business Seminar “Renewables Enhance Corporate Competitiveness”**

9 March 2018 / Roppongi Academyhills

Companies around the world are firmly committed to deployment of renewables in pursuit of a decarbonized society. The adoption of renewables has become a key factor of corporate competitiveness and this is no exception for Japanese companies. Mr. Sueyoshi, Vice-Chair of Executive Board, made a keynote presentation on future direction of the companies, followed by an introduction of the latest activities in the United States by Ms. Lily Donge, Principal of Business Renewables Center (BRC), Rocky Mountain Institute (RMI), which supports 200 or more companies in the United States regarding the adoption of renewables. Three Japanese leading companies, Aeon, Sekisui House, and Fujitsu introduced their efforts on use of renewables. The panel discussion joined by Mr. Satoru Morishita, Director-General, Global Environment Bureau, Ministry of the Environment, discussed schemes and issues in future. Attended by 345 persons.

### < Publication of Recommendation Reports >

#### 1. **INTERIM REPORT by Asia International Grid Connection Study Group (19 April 2017)**

This report summarizes the basics of the international grid network, before surveying several cases in Europe, a region that has made remarkable advancements in the application of the grid, presenting an overview of the basics of the electricity sector in Northeast Asian countries, and studying the case of existing interconnections between Russia, Mongolia and China. To facilitate reforms that Japan needs to implement in its electricity system in order to develop international grid networks, it also specifies the legal issues which the country should address for that purpose.

#### 2. **PROPOSAL: To Promote Renewables in the Corporate Sector in Japan (22 April 2017)**

The proposal is presented to enhance the effectiveness of the “non-fossil value trading market” which will be introduced in FY2017 with the support of ten major companies based inside and outside Japan. At the same time, Ricoh Company Ltd., one of the advocates, announced its entry into “RE100” as the first member from Japan.

#### 3. **REPORT: Study on Land Use Regulations and Environmental Assessment for Greater Deployment of Wind Power Generation (25 April 2017)**

This report was produced based on findings of the survey conducted by the Study Group on System Design for Promoting Deployment of Wind Power Generation, which was set up by Renewable Energy Institute, and the findings of research performed by the Institute itself. Despite rapid growth of the installed capacity of wind power generation worldwide, already larger than that of nuclear generation, Japan is lagging behind. These delays are attributable not only to restricted access to the grid but also to land use regulations and the environmental assessment system that the country has adopted. This report examines the current arrangements and indicates the direction that Japan should take in order to adopt better systems.

#### 4. **REPORT: Study on the Cost of Wind Power Generation in Japan (14 June 2017)**

Based on actual cost data provided by wind power producers, the Institute conducted the analysis of cost structure of wind power generation in Japan. It was found that civil engineering cost and electrical work cost tend to grow sharply although turbine cost tends to decline. In the future, the Institute will proceed with the study on measures toward cost reduction based on the analysis like this.

#### 5. **RECOMMENDATIONS for Local Energy Policy (21 June 2017)**

The Institute summarized experiences of the deployment of renewables being proceeded within each region and presented policy recommendations, including the promotion of development in which profits are returned to regions and a cooperative framework is built with regional financial institutions.

#### 6. **REPORT: “Business Risks of New Coal-fired Power Plant Projects in Japan” (20 July 2017)**

This report examines the current status and future outlook for electricity supply and demand. The report points out that the capacity factor of coal-fired power plants, which is now 80%, could significantly decline to as low as 56% by FY 2026 if the new coal-fired power plant projects of constructing 42 power plants are realized, and this value could be less than 50% if 5% reduction of electricity demand is achieved by energy efficiency. This report encourages the change of investment decisions for companies and financial institutions involved with coal business.

#### 7. **REPORT: Feed-in Tariffs in Japan: Five Years of Achievements and Future Challenges** (8 September 2017)

The Institute revealed that the operation of the Feed-in Tariffs system for five years since 2012 brought about such effects as the expansion of the ratio of renewables in the total amount of electricity generated to 15% from 9%, declining generation cost, and CO2 emission reduction. Also, two scenarios of share of renewable electricity in FY 2030 were compared (25% and 34%), and the Institute showed

the results of estimate that the wholesale electricity price would be lower in the scenario of 34% which promotes the expansion of renewables, and the sum with the surcharge would also become lower.

#### **8. REPORT “The Ways Forward for Japan EPCOs in the New Energy Paradigm” (6 October 2017)**

This report analyzes a situation where major 12 EPCOs in Europe have stepped into a new strategy for their survival while being greatly affected by a new energy paradigm. This report also includes many data indicating the current situation surrounding EPCOs and their future based on reports from international organizations and annual reports published by each EPCO. For Japanese EPCOs to be faced with similar situational changes sooner or later, this report offered lessons learnt from EPOS in Europe.

#### **9. RECCOMENDATION on “Comments on Bioenergy Power Generation under the FiT Scheme” (25 December 2017)**

Following the situation of rapid growth in bioenergy power generation capacity registered under the Feed-in Tariff (FiT) scheme, the Institute released a comment hurriedly to promote sustainable development of bioenergy. The Institute criticized the use of palm oil as fuel for power generation and pointed out the necessity of improving the FiT scheme from a viewpoint of ensuring sustainability of biofuel.

#### **10. GUIDEBOOK on “Procurement of Electricity for Companies and Local Governments which Increase Renewable Energy” (19 January, 2018)**

Reflecting the expansion of RE100 and other initiatives, cases of expanding the procurement of renewables have been increasing among Japanese companies. This Guidebook shows the selection criteria that should be considered when companies and local governments procure power in Japan while organizing the benefits from renewables. Then, specific procurement methods are explained through various examples.

#### **11. RECCOMENDATION “Transitioning Energy Policies for a Decarbonized Society” (30 January 2018)**

Since summer 2017, discussions to review the “Basic Energy Plan” have started in Japan. From spring 2018, the whole government would promote discussions to formulate the “Long-term Low Emission Development Strategies” in an integrated manner. However, some of these discussions, such as claim for continued support for coal business, are moving against the global trend of energy transition aiming for decarbonization. In this recommendation, the Institutes pointed out that policies focused on energy efficiency and renewable energy expansion can have a positive effect on not only decarbonization but also growth and energy security.



## <Research Activities>

### 1. Realization of Sustainable Energy Systems in Asia

Examination was resumed in October at the Asia International Grid Connection Study Group, chaired by Professor Tsutomu Oyama of Yokohama National University. The study group examined the installation routes of international grid connection between Japan and South Korea and between Japan and Russia, construction cost, operation scheme, and legal issues. Moreover, the Institute also cooperates with Asian Development Bank's "Strategy for Northeast Asia Power System Interconnection" and provides information as the International Country Coordinator for Japan.

In August, the Institute set up the "ASG Internal Working Group for Legal Issues" consisting of four experts (three lawyers and 1 academia) with expertise in the energy field and started the examination on issues, from the legal aspect including the revision of the Electric Utility Industry Law necessary for the realization of international grid connection. In addition, the Institute is proceeding with the collection of information and data necessary for cost-effectiveness analysis by obtaining cooperation from related businesses.

For cases studies of international transmission overseas, the study group went to Canada and the US in September to visit grid operation organizations of Ontario, New England, and New York, US Department of Energy, the Federal Energy Regulatory Commission, and others, and conducted hearings and exchanged opinions with them.

### 2. Promotion of renewables in the corporate sector

In April, the Institute published jointly with ten major national and global companies recommendations toward the acceleration of the use of renewables in Japan. Since May, the Institute has been holding study meetings with these companies and visited other 12 major companies, including Toyota, Honda, and Asahi Breweries, to exchange opinions with them. In May, the Executive Director of the Institute was invited to a study meeting of "Japan Climate Leaders' Partnership" in which about 40 companies, including Ricoh, Fujitsu, and Orix participate, and the Chair of the Executive Board was invited in September to a lecture at "The Frontier Network," a company group consisting of 12 companies, including Nissan, Panasonic, and Mitsubishi Corporation. In this way, the collaboration with companies is progressing.

In addition, the Institute is promoting the building of cooperative relations with groups promoting energy efficiency, including the Institute's participation as a speaker in a symposium hosted by the "Green Buildings Promotion Forum," which promotes zero energy buildings.

### 3. Participation to study groups of the national government on climate change

In the "Advisory Panel of Experts on Climate Change" established in the Ministry of Foreign Affairs in January 2018, Mr. Sueyoshi, Vice-Chair of Executive Board of the Institute, and Ms. Ohbayahi, Director of the Institute, participated. The panel submitted to Foreign Minister Kono in February 2018 a recommendation "Promote New Diplomacy on Energy through Leading Global Efforts against Climate Change."

The Institute participated in various study groups of the national government, including Sueyoshi Vice-Chair of Executive Board and Ohno Executive Director to the long-term vision of reduction of green gas emissions in Japan, adoption of a carbon pricing scheme and measures on thermal power generation, as group members or speakers and pointed out the necessity of early change of energy policies.

### 1. Collaboration with Local Governments

The Institute supports the preparation of policy recommendation to be made for the national government by the Renewable Energy Governors' Alliance and the Renewable Energy Governors' Alliance for Designated Cities. The Institute held "Local Government Workshop regarding the Local Deployment of Renewables" at the time of the general meeting of the alliance held in Iwate Prefecture in July. In November, the Institutes also conducted a workshop themed on biomass for members of the Renewable Energy Governors' Alliance for Designated Cities. In addition, the Institute conducted a hearing/opinion exchange in Kumamoto Prefecture in February 2018 to identify regional issues regarding the promotion of renewables.

### 2. Collaboration with overseas research institutions, etc.

It was determined that the Institute, jointly with Agora Energiewende, would conduct a survey on grid use for promoting the expansion of renewables of Hokkaido and Tohoku by obtaining a research fund from the German Federal Ministry of Economic Affairs and Energy (BMWi). (ongoing on FY2018.)

### 3. Study Meetings with Diet Members and Media Conferences

For enhancement of discussions on policies at the national diet as well as to disseminate institute's opinions to the public, the institute approached the parliamentarians, media representatives, governments, and energy related organizations in forms of study meetings and round-table discussions. The opportunities were utilized to deliver the latest trends and views within Japan and countries around the world. Meetings with the Press were as follows;

"INTERIM REPORT by Asia International Grid Connection Study Group"

24 April 2017 / attended by 23 persons.

"Feed-in Tariffs in Japan: Five Years of Achievements and Future Challenges"

18 August 2017 / attended by 42 persons

"Rapid Development of Renewables in Asia and Japan"

26 October 2017 / Foreign Correspondents' Club of Japan.

"Current Status and Outlook of Nuclear Power Generation around the World

—Inviting Mr. Mycle Schneider"

8 December 2017 / attended by 37 persons

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

30 new columns have been posted in the institute's regular column series 'Renewables Update' which delivers the latest information and/or issues relating to energy policies. The Institute totally renewed its website from January 2018 to strengthen its information provision capability, such as offering access through smartphones. In addition, the sites were enriched with new categories listed in below.

International Grid Connection:

In September 2017, the Institute created a special information webpage on the Institute's website to comprehensively introduce the significance and background of the Asia international grid connection, past reports, and the contents of symposiums and workshops.

Report on the application of renewables :

The Institute had started in May 2017 "Report on the use of renewables" in which the Institute visits actual sites of renewable projects being promoted in each region and introduces specific situations on how they overcome challenges and has posted 12 articles in its first year. To date, the Institute has introduced small hydropower generations in Wakayama and Gifu Prefecture, a biomass power generation in Okayama Prefecture, a geothermal generation in Kumamoto Prefecture, a wind power generation in Akita Prefecture, a solar PV in Tottori Prefecture, a biomass heat power and biogas generation in Shizuoka Prefecture, a hybrid wind-solar power station in Aichi Prefecture, a floating offshore wind in Nagasaki Prefecture and a mega solar park in Ibaraki Prefecture.

Statistics 'Trends' :

A new column series delivers key energy trends on a timely basis. 8 postings were made since

its launch in January 2018.

#### International Statistics :

A new page illustrates latest statistics of countries. Updated twice since its launch in January 2018.

### **5. 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 257 articles during FY2017.

---

## **Organizational Operation**

---

### **1. Structure of the Institute**

Mr. Norio Murakami, who served as a Board Member until last year, joined the Institute as an Advisor on 30 June 2017 and Ms. Hiroko Kuniya, news anchor, joined the Institute as a new Board Member on 1 September 2017.

### **2. Appointment of Managers**

The institute hired and appointed Mr. Masaya Ishida, Renewable Energy Business Group Manager on 1 April 2017 and Ms. Yuko Nishida, Manager of Climate Change Group on 1 May 2017.

### **3. Set-up of Satellite Office in Kyoto**

The institute had set-up an satellite office in Kyoto City for researchers residing in Kyoto as the base of their researching activities.

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

The Institute held the following meetings during this term:

### **Board meetings:**

The 39<sup>th</sup> Executive Board Meeting held on 16 May 2017

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 6th term, Submission of financial statements to the Cabinet Office, Amendments to rules and regulations

The 40<sup>th</sup> Executive Board Meeting held on 31 May 2017

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 41<sup>st</sup> Executive Board Meeting held on 4 August 2017

Agenda: Approval of the Executive Board Member candidate, Submission of draft resolutions to the Council, Deemed adoption of resolutions by holding a Council meeting in writing

The 42<sup>nd</sup> Executive Board Meeting held on 22 September 2017

(Reportable items only)

The 43<sup>rd</sup> Executive Board Meeting held on 5 March 2018

Agenda: Development of the FY2018 business plan and budget, Decision on the schedule for FY2018 regular Executive Board Meetings

### **Council meetings:**

The 10th Council meeting held on 31 May 2017

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

The 11th Council meeting, held on 18 August 2017

Agenda: Selection of Board Members

# Balance Sheet

At 31 March, 2018

(Unit:Yen)

Items	FY2017	FY2016	Changes
<b>I Assets</b>			
<b>1. Current assets</b>			
Account Receivable - other	9,446,165	1,503,990	7,942,175
Advance payments	222,179	417,123	△ 194,944
Inventories	0	5,460	△ 5,460
Advances paid	4,906,198	0	4,906,198
Prepaid expense	3,312,759	3,198,279	114,480
<b>Total current assets</b>	<b>17,887,301</b>	<b>5,124,852</b>	<b>12,762,449</b>
<b>2. Other fixed assets</b>			
<b>(1) Specified Asset</b>			
Fund for Public interest Business	252,579,363	202,438,454	50,140,909
Fund for Administrarion	83,466,495	63,374,556	20,091,939
<b>Total Specified Asset</b>	<b>336,045,858</b>	<b>265,813,010</b>	<b>70,232,848</b>
<b>(2) Other fixed assets</b>			
Leasehold improvement	16,856,511	18,365,997	△ 1,509,486
Equipment and fixtures	10,454,399	12,937,696	△ 2,483,297
Security deposit	30,606,800	30,606,800	0
Software	1,039,740	1,559,608	△ 519,868
<b>Total other fixed assets</b>	<b>58,957,450</b>	<b>63,470,101</b>	<b>△ 4,512,651</b>
<b>Total fixed assets</b>	<b>395,003,308</b>	<b>329,283,111</b>	<b>65,720,197</b>
<b>Total assets</b>	<b>412,890,609</b>	<b>334,407,963</b>	<b>78,482,646</b>
<b>II Liabilities</b>			
<b>1. Current liabilities</b>			
Account payables	27,559,662	17,684,767	9,874,895
Account payables-Labor Insurance	3,710,879	1,586,252	2,124,627
Deposit received	2,727,161	553,133	2,174,028
Income tax deposit received	1,129,719	996,178	133,541
Tax Payable etc	70,000	70,000	0
<b>Total current liabilities</b>	<b>35,197,421</b>	<b>20,890,330</b>	<b>14,307,091</b>
<b>Total fixed liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>35,197,421</b>	<b>20,890,330</b>	<b>14,307,091</b>
<b>III Net assets</b>			
<b>1. Designated net assets</b>			
Private grant	6,605,801	6,644,275	△ 38,474
Donation	371,087,387	306,873,358	64,214,029
<b>Total designated net assets</b>	<b>377,693,188</b>	<b>313,517,633</b>	<b>64,175,555</b>
<b>(Amount allocated to specified assets)</b>	<b>300,848,437</b>	<b>244,922,680</b>	<b>55,925,757</b>
<b>2. General net assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total net assets</b>	<b>377,693,188</b>	<b>313,517,633</b>	<b>64,175,555</b>
<b>Total liabilities and net assets</b>	<b>412,890,609</b>	<b>334,407,963</b>	<b>78,482,646</b>

## Itemized List for the Balance Sheet

31 March, 2018

(Unit : yen)

Items	Public interest Business Accounting	Profitable Business Accounting	Administrative Accounting	Deleting Internal Transaction	Total
<b>I Assets</b>					
<b>1. Current assets</b>					
Account Receivable –other	9,370,889	75,276	0		9,446,165
Advance payments	222,179	0	0		222,179
Advances paid	4,906,198	0	0		4,906,198
Short-term loans receivable	0	1,894	77,170	△ 79,064	0
Prepaid expense	2,356,515	0	956,244		3,312,759
<b>Total current assets</b>	<b>16,855,781</b>	<b>77,170</b>	<b>1,033,414</b>	<b>△ 79,064</b>	<b>17,887,301</b>
<b>2. Other fixed assets</b>					
<b>(1) Specified Asset</b>					
Fund for Public interest Business	191,574,501	0	61,004,862		252,579,363
Fund for Administration	0	0	83,466,495		83,466,495
<b>Total Specified Asset</b>	<b>191,574,501</b>	<b>0</b>	<b>144,471,357</b>		<b>336,045,858</b>
<b>(2) Other fixed assets</b>					
Leasehold improvement	11,799,557	0	5,056,954		16,856,511
Equipment and fixtures	7,318,079	0	3,136,320		10,454,399
Security deposit	28,158,800	0	2,448,000		30,606,800
Software	727,818	0	311,922		1,039,740
<b>Total other fixed assets</b>	<b>48,004,254</b>	<b>0</b>	<b>10,953,196</b>		<b>58,957,450</b>
<b>Total fixed assets</b>	<b>239,578,755</b>	<b>0</b>	<b>155,424,553</b>	<b>0</b>	<b>395,003,308</b>
<b>Total assets</b>	<b>256,434,536</b>	<b>77,170</b>	<b>156,457,967</b>	<b>△ 79,064</b>	<b>412,890,609</b>
<b>II Liabilities</b>					
<b>1. Current liabilities</b>					
Short-term loans payable	1,894	77,170	0	△ 79,064	0
Account payables	26,460,058	0	1,099,604		27,559,662
Account payables–Labor Insurance	3,026,305	0	684,574		3,710,879
Deposit received	2,283,312	0	443,849		2,727,161
Income tax deposit received	978,338	0	151,381		1,129,719
Tax Payable etc	0	0	70,000		70,000
<b>Total current liabilities</b>	<b>32,749,907</b>	<b>77,170</b>	<b>2,449,408</b>	<b>△ 148,880</b>	<b>35,127,605</b>
<b>Total fixed liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>32,749,907</b>	<b>77,170</b>	<b>2,449,408</b>	<b>△ 148,880</b>	<b>35,127,605</b>
<b>III Net assets</b>					
<b>1. Designated net assets</b>					
Private grant	6,605,801	0	0		6,605,801
Donation	217,078,828	0	154,008,559		371,087,387
<b>Total designated net assets</b>	<b>223,684,629</b>	<b>0</b>	<b>154,008,559</b>		<b>377,693,188</b>
(Amount allocated to specified assets)	158,826,488		142,021,949		300,848,437
<b>2. General net assets</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Total net assets</b>	<b>223,684,629</b>	<b>0</b>	<b>154,008,559</b>	<b>0</b>	<b>377,693,188</b>
<b>Total liabilities and net ass</b>	<b>256,434,536</b>	<b>77,170</b>	<b>156,457,967</b>	<b>△ 148,880</b>	<b>412,820,793</b>

## Changes of Net Assets

From April 1st, 2017 to March 31st, 2018

(Unit:yen)

Items	FY2017	FY2016	Changes
<b>I Change in general net assets</b>			
<b>I Change in ordinary profit</b>			
(1) Ordinary profit			
<b>Business Profit</b>	<b>75,276</b>	<b>6,569</b>	<b>68,707</b>
Publication	75,276	6,569	68,707
<b>Subsidy etc. received</b>	<b>19,719,418</b>	<b>16,778,800</b>	<b>2,940,618</b>
Subsidy received	10,263,143	856,275	9,406,868
Transfer from subsidy etc. received	6,644,275	13,466,525	△ 6,822,250
Japan Fund for Global Environment	2,162,000	1,481,000	681,000
Grant-in-Aid for Scientific Research	650,000	975,000	△ 325,000
<b>Donation</b>	<b>335,863,471</b>	<b>308,575,938</b>	<b>27,287,533</b>
Contribution received	77,500	120,000	△ 42,500
Transfer from designated net assets	335,785,971	308,455,938	27,330,033
<b>Miscellaneous Income</b>	<b>12,132,213</b>	<b>4,004,626</b>	<b>8,127,587</b>
Received Interest	4,138	21,340	△ 17,202
Miscellaneous Income	9,031,219	3,983,286	5,047,933
Consulting fee	3,096,856	0	3,096,856
<b>Total ordinary profit</b>	<b>367,790,378</b>	<b>329,365,933</b>	<b>38,424,445</b>
(2) Ordinary Expense			
<b>Operating expenses</b>	<b>305,663,750</b>	<b>271,988,535</b>	<b>33,675,215</b>
Executive remuneration	13,726,902	12,380,104	1,346,798
Wage and allowance	126,899,223	96,122,310	30,776,913
Temporary staff wages	0	28,500	△ 28,500
Legal welfare	18,413,023	12,666,615	5,746,408
Temporary staff costs	553,566	0	553,566
Meeting expenses	5,630,431	5,599,997	30,434
Social Expense	112,798	101,499	11,299
Travel and transportation expenses	35,043,381	35,734,494	△ 691,113
Cost for Publication	5,460	0	5,460
Communication and Transportation Expense	4,198,671	3,401,890	796,781
Depreciation expense	4,482,252	3,004,650	1,477,602
Consumables and fixtures expenses	721,233	380,860	340,373
Books and subscription	9,057,370	6,366,757	2,690,613
Membership fee	910,964	590,259	320,705
Print expense	6,471,604	3,532,836	2,938,768
Utility expenses	746,536	747,026	△ 490
Leasing Expense	28,375,056	16,493,233	11,881,823
Insurance	69,250	33,940	35,310
Taxes and dues	2,000	20,000	△ 18,000
Remuneration paid	12,749,260	14,657,636	△ 1,908,376
Commission Paid	594,254	237,423	356,831
Outsourcing and commission	36,900,516	59,888,506	△ 22,987,990
<b>Administration expenses</b>	<b>62,056,628</b>	<b>57,307,398</b>	<b>4,749,230</b>
Executive remuneration	1,525,212	1,375,568	149,644
Wage and allowance	27,787,976	23,131,510	4,656,466
Legal welfare	4,292,427	3,347,505	944,922
Education and training expenses	1,024,920	807,840	217,080
Welfare expense	1,629,663	1,032,419	597,244
Temporary staff costs	0	1,339,790	△ 1,339,790
Meeting expenses	27,346	15,052	12,294
Social Expense	84,728	180,941	△ 96,213
Travel and transportation expenses	1,286,550	1,133,773	152,777
Communication and Transportation Expense	2,435,167	2,267,590	167,577
Depreciation expense	1,920,965	1,295,108	625,857
Consumables and fixtures expenses	1,753,047	879,424	873,623
Books and subscription	4,052	4,838	△ 786
Repair and maintenance	0	3,650,400	△ 3,650,400
Membership fee	0	1,782	△ 1,782
Print expense	510,632	946,249	△ 435,617
Utility expenses	613,658	508,658	105,000
Leasing Expense	12,500,815	7,611,482	4,889,333
Insurance	36,700	18,090	18,610
Taxes and dues	372,050	112,850	259,200
Remuneration paid	2,107,979	2,542,936	△ 434,957
Commission Paid	545,970	523,170	22,800
Outsourcing commission	1,523,791	4,507,445	△ 2,983,654
Miscellaneous expenses	72,980	72,978	2
<b>Total ordinary expenses</b>	<b>367,720,378</b>	<b>329,295,933</b>	<b>38,424,445</b>
<b>Current Change in Ordinary profit before</b>	<b>70,000</b>	<b>70,000</b>	<b>0</b>
<b>Total Appraised loss and profit</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current Change in Ordinary profit</b>	<b>70,000</b>	<b>70,000</b>	<b>0</b>
2. Extraordinary profit			
(1) Extraordinary profit			
<b>Contribution received</b>	<b>0</b>	<b>4,344,072</b>	<b>△ 4,344,072</b>
Transfer from designated net assets	0	4,344,072	△ 4,344,072
<b>Total Extraordinary profit</b>	<b>0</b>	<b>4,344,072</b>	<b>△ 4,344,072</b>
(2) Extraordinary expenses			
<b>Loss on retirement of noncurrent assets</b>	<b>0</b>	<b>4,344,072</b>	<b>△ 4,344,072</b>
Loss on retirement of buildings and accompanying facilities	0	3,778,667	△ 3,778,667
Loss on retirement of tools, furniture & fixtures	0	136,429	△ 136,429
Loss on retirement of software	0	428,976	△ 428,976
<b>Total Extraordinary expense</b>	<b>0</b>	<b>4,344,072</b>	<b>△ 4,344,072</b>
<b>Current change in extraordinary profit</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current change in general net assets</b>	<b>70,000</b>	<b>70,000</b>	<b>0</b>
Corporate and Residents tax	70,000	70,000	0
<b>Current change in general net assets</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>Ending balance of general net assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>II Change in designated net assets</b>			
<b>Subsidy etc. received</b>	<b>6,605,801</b>	<b>15,081,775</b>	<b>△ 8,475,974</b>
Subsidy received	6,605,801	15,081,775	△ 8,475,974
<b>Donation</b>	<b>400,000,000</b>	<b>400,000,000</b>	<b>0</b>
Contribution received	400,000,000	400,000,000	0
<b>Transfer to general net assets</b>	<b>△ 342,430,246</b>	<b>△ 326,266,535</b>	<b>△ 16,163,711</b>
Transfer to general net assets	△ 342,430,246	△ 326,266,535	△ 16,163,711
<b>Current change in designated net assets</b>	<b>64,175,555</b>	<b>88,815,240</b>	<b>△ 24,639,685</b>
<b>Beginning balance of designated net assets</b>	<b>313,517,633</b>	<b>224,702,393</b>	<b>88,815,240</b>
<b>Ending balance of designated net assets</b>	<b>377,693,188</b>	<b>313,517,633</b>	<b>64,175,555</b>
<b>III Ending total net assets</b>	<b>377,693,188</b>	<b>313,517,633</b>	<b>64,175,555</b>

# Itemized List for the Changes of Net Assets

From April 1st, 2017 to March 31st, 2018

(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>Bussiness Profit</b>	<b>0</b>	<b>75,276</b>	<b>0</b>	<b>75,276</b>
Publication	0	75,276	0	75,276
<b>Subsidy etc. received</b>	<b>19,719,418</b>	<b>0</b>	<b>0</b>	<b>19,719,418</b>
Subsidy received	10,263,143	0	0	10,263,143
Transfer from subsidy etc. received	6,644,275	0	0	6,644,275
Japan Fund for Global Environment	2,162,000	0	0	2,162,000
Grant-in-Aid for Scientific Research	650,000	0	0	650,000
<b>Donation</b>	<b>273,736,843</b>	<b>0</b>	<b>62,126,628</b>	<b>335,863,471</b>
Contribution received	77,500	0	0	77,500
Transfer from designated net assets	273,659,343	0	62,126,628	335,785,971
<b>Miscellaneous Income</b>	<b>12,132,213</b>	<b>0</b>	<b>0</b>	<b>12,132,213</b>
Received Interest	4,138	0	0	4,138
Miscellaneous Income	9,031,219	0	0	9,031,219
Consultant fee	3,096,856	0	0	3,096,856
<b>Total ordinary profit</b>	<b>305,588,474</b>	<b>75,276</b>	<b>62,126,628</b>	<b>367,790,378</b>
(2) Ordinary Expense				
<b>Operating expenses</b>	<b>305,658,290</b>	<b>5,460</b>		<b>305,663,750</b>
Executive remuneration	13,726,902	0		13,726,902
Wage and allowance	126,899,223	0		126,899,223
Legal welfare	18,413,023	0		18,413,023
Temporary staff wages	553,566	0		553,566
Meeting expenses	5,630,431	0		5,630,431
Social Expense	112,798	0		112,798
Travel and transportation expenses	35,043,381	0		35,043,381
Cost for Publication	0	5,460		5,460
Communication and Transportation Expense	4,198,671	0		4,198,671
Depreciation expense	4,482,252	0		4,482,252
Consumables and fixtures expenses	721,233	0		721,233
Books and subscription	9,057,370	0		9,057,370
Membership fee	910,964	0		910,964
Print expense	6,471,604	0		6,471,604
Utility expenses	746,536	0		746,536
Leasing Expense	28,375,056	0		28,375,056
Insurance	69,250	0		69,250
Remuneration paid	2,000	0		2,000
Commission Paid	12,749,260	0		12,749,260
Donations expense	594,254	0		594,254
Outsourcing and commission	36,900,516	0		36,900,516
<b>Administration expenses</b>			<b>62,056,628</b>	<b>62,056,628</b>
Executive remuneration			1,525,212	1,525,212
Wage and allowance			27,787,976	27,787,976
Legal welfare			4,292,427	4,292,427
Education and training expenses			1,024,920	1,024,920
Welfare expense			1,629,663	1,629,663
Meeting expenses			27,346	27,346
Social Expense			84,728	84,728
Travel and transportation expenses			1,286,550	1,286,550
Communication and Transportation Expense			2,435,167	2,435,167
Depreciation expense			1,920,965	1,920,965
Consumables and fixtures expenses			1,753,047	1,753,047
Books and subscription			4,052	4,052
Print expense			510,632	510,632
Utility expenses			613,658	613,658
Leasing Expense			12,500,815	12,500,815
Insurance			36,700	36,700
Taxes and dues			372,050	372,050
Remuneration paid			2,107,979	2,107,979
Commission Paid			545,970	545,970
Outsourcing commission			1,523,791	1,523,791
Miscellaneous expenses			72,980	72,980
<b>Total ordinary expenses</b>	<b>305,658,290</b>	<b>5,460</b>	<b>62,056,628</b>	<b>367,720,378</b>
<b>Current Change in Ordinary profit before</b>	<b>△ 69,816</b>	<b>6,569</b>	<b>70,000</b>	<b>70,000</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>△ 69,816</b>	<b>6,569</b>	<b>70,000</b>	<b>70,000</b>
2. Extraordinary profit				
(1) Extraordinary profit				
<b>Total Extraordinary profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2) Extraordinary expenses				
<b>Total Extraordinary expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current change in extraordinary profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Transfer amount to another account	69,816	△ 69,816	0	0
<b>Current change in general net assets</b>	<b>0</b>	<b>0</b>	<b>70,000</b>	<b>70,000</b>
Corporate and Residents tax	0	0	70,000	70,000
<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>6,605,801</b>	<b>0</b>	<b>0</b>	<b>6,605,801</b>
Subsidy received	6,605,801	0	0	6,605,801
<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>△ 280,303,618</b>	<b>0</b>	<b>△ 62,126,628</b>	<b>△ 342,430,246</b>
Transfer to general net assets	△ 280,303,618	0	△ 62,126,628	△ 342,430,246
<b>Current change in designated net assets</b>	<b>6,302,183</b>	<b>0</b>	<b>57,873,372</b>	<b>64,175,555</b>
<b>Beginning balance of designated net assets</b>	<b>217,382,446</b>	<b>0</b>	<b>96,135,187</b>	<b>313,517,633</b>
<b>Ending 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>III Ending total net assets</b>	<b>223,684,629</b>	<b>0</b>	<b>154,008,559</b>	<b>377,693,188</b>



# List of Property

At Mar. 31st, 2018

(Unit:Yen)

Balance sheet items	Place・Quantity etc.	Purpose of Possession etc.	Amount
(Current Asset)			
Account Receivable - other		Fiscal 2017 Japan-German collaborative project etc.	9,446,165
Advance payments		Advance purchase of personal computer	222,179
Advances paid		Advance expense of Asian Development Bank (ADB)	4,906,198
Prepaid expense			3,312,759
	Mitsubishi Real Estate Services Co., Ltd.	Office rent April, 2018	#####
	NSS.Offisteria	Kyoto office rent April, 2018	125,280
<b>Total Current Assets</b>			<b>17,887,301</b>
(Fixed Asset)			
Specified Asset			
Fund for Public interest		As for Operating fund	<b>252,579,363</b>
	Mizuho Bank		1,230,763
	3514672		934,440
	3514877		250,000,000
	Rakuten Bank		
	7107035		414,160
Fund for Profitable Business		As for Operating fund	
	Mizuho Bank		83,466,495
	5320321		
Other Fixed Asset			
Leasehold improvement	Interior construction cost of Office	Used for office	16,856,511
Equipment and fixtures	construction costs of office	Used for office	10,454,399
Security deposit	DOWA LINE CO., LTD. DLX building 8F	Security deposit for office	30,606,800
Software		Security software	1,039,740
<b>Total Fixed Assets</b>			<b>395,003,308</b>
<b>Total Assets</b>			<b>412,890,609</b>
(Current Liability)			
Account Payable		Payable for Public interest and administration in March	27,559,662
Account Payable		February, March social insurance	3,710,879
Deposit received			2,727,161
		Will be paid in Apr, 2017 (February social insurance)	1,961,061
		Will be paid in Apr, 2017 (March residents tax)	766,100
Income tax deposit received		Will be paid in Apr, 2017	1,129,719
Tax Payable etc.			70,000
<b>Total Current Liabilities</b>			<b>35,197,421</b>
<b>Total Long-term Liabilities</b>			<b>0</b>
<b>Total Liabilities</b>			<b>35,197,421</b>
<b>Net Assets</b>			<b>377,693,188</b>

## Detailed statement

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

(Unit : yen)

Category	Asset type	Beginning balance	Increased in FY2017	Decreased in FY2017	Ending balance
Basic Asset					
	Total Basic Assets	0	0	0	0
Specified Asset	Fund for Public interest	202,438,454	1,373,036,607	1,322,895,698	252,579,363
	Fund for Administrarion	63,374,556	825,476,246	805,384,307	83,466,495
	Total Specified Assets	265,813,010	2,198,512,853	2,128,280,005	336,045,858

### 2. Details of Reserve fund

None



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	2,254,778	16,859,511
Equipment and fixtures	18,731,065	8,276,666	10,454,399
Software	2,599,344	1,559,604	1,039,740
Total	40,441,698	12,091,048	28,350,650

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 FY2016	Increased in FY2017	Decreased in FY2017	Ending balance FY2017	Classification on Balance Sheet
Grant received from Japan Fund for Global Environment	Environmental Restoration and Conservation Agency	0	2,162,000	2,162,000	0	
Grant received from a private institution	European Climate Foundation (ECF)	4,956,775	5,554,944	5,791,585	4,720,134	Designated Net Asset
Grant-in-Aid for Scientific Research	Growald Family Fund	1,687,500	11,314,000	11,115,833	1,885,667	Designated Net Asset
	Ryukoku University		650,000	650,000	0	
Total		6,644,275	19,680,944	19,719,418	6,605,801	

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	342,430,246
Total	342,430,246