

Basic Policies for Green Innovation Fund (Summary)

The Ministry of Economy, Trade and Industry (METI) formulated **the "Basic Policies," which stipulate the policies for implementation of the fund projects commonly applied to the respective R&D fields**, including the target of support in the funded projects, the mechanism for maximizing the results, and the implementation system. The contents of **the Basic Policy will be reviewed flexibly based on the progress of the projects.**

1 Purpose and Outline

To achieve carbon neutrality by 2050, **METI established a 2 trillion-yen fund as part of NEDO** and provide **continuous support for R&D projects, demonstrations, and social implementation projects for 10 years to companies that commit to ambitious goals.**

3 Support Target

METI's support will focus on **priority fields for which implementation plans have been formulated within the Green Growth Strategy**, where **policy effects are significant, and long-term continuous support is required to realize public implementation.**

- ✓ Average size of conventional R&D projects (20 billion yen) or more.
- ✓ Projects for which short-term government support programs is sufficient are not eligible.
- ✓ Main implementers should be companies or other profit-making businesses capable of carrying out the entire process of public implementation (participation of small and medium-sized venture companies is encouraged; participation of universities and research institutions is also expected).
- ✓ The project must include innovative and fundamental R&D elements that are worthy of being commissioned by the government.

2 Program Target

(Per project)
Ambitious 2030 Target
(Performance, Cost, etc.)

Monitor Cross-sectoral monitoring of fund projects based on the following;

- *International Competitiveness
- *Commercialization (TRL, etc.)
- *Potential for attracting private investment

- **CO₂Reduction Effect**
- **Economic Effect**

4 Strategy for Maximizing Results

To ensure that research and development results are steadily implemented publicly, METI seeks **the commitment of the managers of companies and other organizations to persevere in challenging these goals as long-term business issues.**

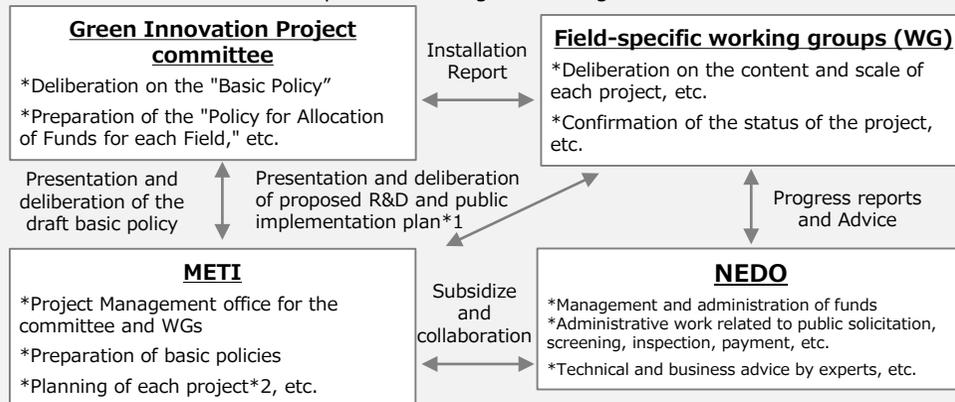
(Efforts required of company managers)
*Submission of the vision and the long-term business strategy at the time of application
*Attendance and report to the WG
*Submission of a management sheet showing the status of initiatives

(Implementation of a system to enhance commitment)

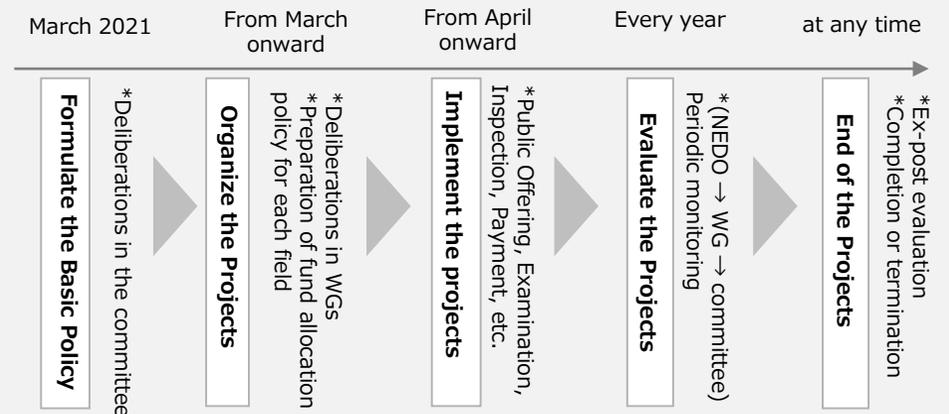
- 1) If the status of the project is inadequate, the project will be canceled, and a portion of the consignment fee will be returned.
- 2) Introduction of a system (an incentive measure) that allows the government to pay more depending on the degree of achievement of targets.

5 Scheme

Build a highly transparent and effective governance system that incorporates the knowledge of external experts and close cooperation among related organizations.



6 Program Schedule



1 A plan describing the project's goals for 2030, R&D items, maturity level of the target technologies (TRL, etc.), budget scale, etc. (A draft of the plan is discussed by the WG.)

2 Including the division office in charge of the project in the relevant ministry or agency.