**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.

### 2 Program Target

(Per project)

**Ambitious 2030 Target**

- Performance
- Cost, etc.

**CO₂Reduction Effect**

- Economic Effect

### 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 are 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.

### 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.

- **Green Innovation Project committee**
  - Deliberation on the "Basic Policy"
  - Preparation of the "Policy for Allocation of Funds for each Field," etc.

- **Field-specific working groups (WG)**
  - Deliberation on the content and scale of each project, etc.
  - Confirmation of the status of the project, etc.

- **Progress reports and Advice**

- **METI**
  - Project Management office for the committee and WGs
  - Preparation of basic policies
  - Planning of each project*2, etc.

- **NEDO**
  - Management and administration of funds
  - Administrative work related to public solicitation, screening, inspection, payment, etc.
  - Technical and business advice by experts, etc.

### 6 Program Schedule

- **From March onward**
  - Organize the Projects
  - Preparation of fund allocation policy for each field

- **From April onward**
  - Implement the projects
  - Public Offering, Examination, Inspections, Payment, etc.

- **Every year at any time**
  - Post-evaluation
  - Completion of termination

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.