

# Japan

## Investor factsheet



European Bank  
for Reconstruction and Development

## Japanese cooperation with the EBRD

### Technical cooperation

Technical cooperation (TC) funds enable the EBRD's clients to prepare sound investments, provide flexibility and help improve the institutional and regulatory framework.

Japan has provided over €115 million to the EBRD's Technical Cooperation Funds Programme, through bilateral and multilateral funds, making it the largest bilateral contributor. The main tool for TC cooperation is the Japan-Europe Cooperation Fund (JECF). Japan is also one of the largest contributors to the Early Transition Countries Fund and the largest contributor to the Mongolia Cooperation Fund.

Besides TC funds, Japan has also contributed to the Japan Post-Conflict Support Fund (€6.1 million) and the Russia Small Business Investment Special Fund (€21.2 million).

As of the end of December 2007 JECF had committed funding for 491 projects amounting to €118 million. A third of these commitments were directed to countries in Central Asia, and just over 15 per cent went to Russia. This distribution of funds represents the current strategic aim of the JECF to work with the less developed countries among the EBRD's countries of operations, as well as the far east of Russia where support from donors is relatively scarce.

The finance and business sectors are the main recipients of TC funds. This is in line with the Bank's strategy to encourage market-oriented economies through financial intermediaries. Other important sectors for JECF support are manufacturing – mainly through the TurnAround Management (TAM) and Business Advisory Services (BAS) Programme – legal transition and energy.

Japan is also helping the Mongolian government to assess the affordability of renewable energy in the country and to formulate and implement a regulatory

development plan for renewable energy up to 2020 that will benefit investors financially and the country economically.

### Consultancy

In 2007, the EBRD awarded 138 consultancy contracts totalling €1.58 million to Japanese consultants, who were the highest ranked nationality for contract awards by the TAM Programme (136 contracts worth €1.48 million).

### Trade Facilitation Programme

Under the Trade Facilitation Programme (TFP) the EBRD guarantees the payment of trade finance instruments (such as letters of credit and payment guarantees) that are issued by banks in the EBRD's countries of operations to foreign confirming banks.

Since the start of the programme in 1999 the EBRD has financed more than 6,745 transactions worth more than €3.41 billion, including 35 export and import transactions of Japanese companies totalling €26.1 million. Sixteen Japanese banks and branches of banks have joined the programme as confirming banks (all figures as per 31 December 2007).

## Improving waste-water treatment in Armenia

Through its participation in the multi-donor the Early Transition Countries Fund, Japan is backing an EBRD investment to improve waste-water management services in Armenia. Residents of five municipalities near Lake Sevan in Armenia will benefit.

Lake Sevan covers 15 per cent of Armenia and is a place of natural beauty and historic significance. The project will support efforts to achieve compliance with Armenian and EU environmental standards for waste-water treatment. This is the EBRD's first municipal and environmental infrastructure project in Armenia.



## At a glance

Japan is the second largest donor to the EBRD

**€4.4 billion** – the value of joint Japanese-EBRD investments

**138 contracts worth €1.58 million** were awarded to Japanese consultants in 2007

Japan contributes to the Russia Small Business Investment Special Fund

## Contacts

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