



# Overview of Fiscal Investment and Loan Program 2021

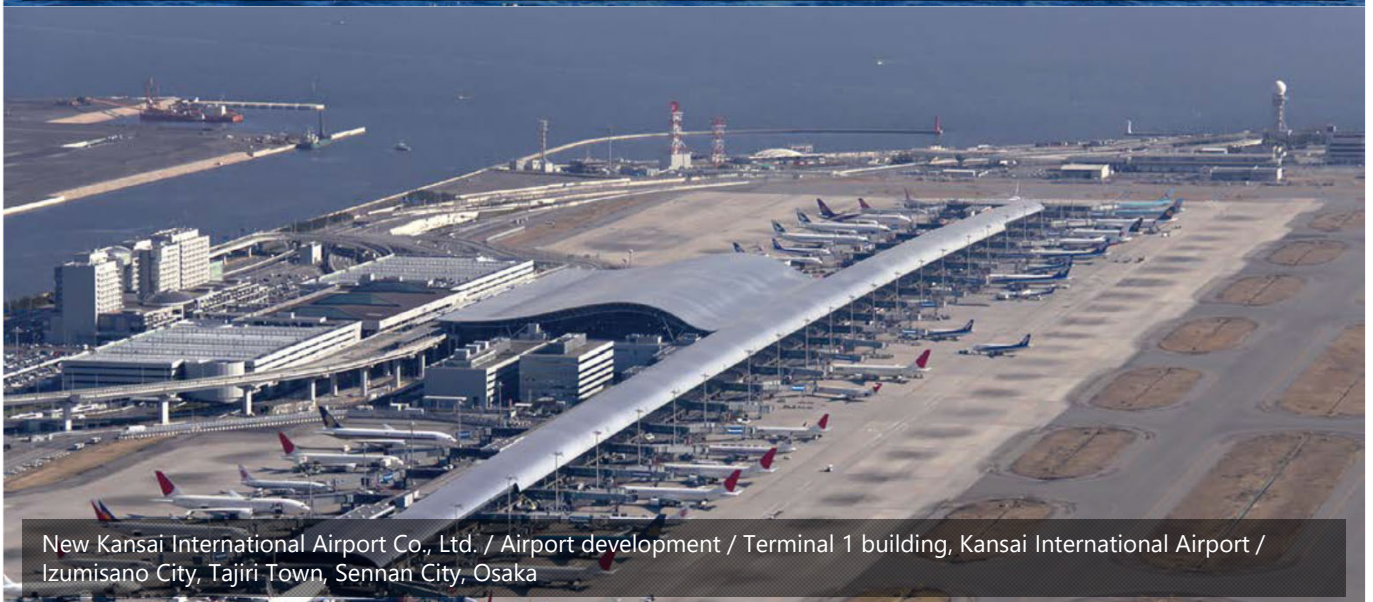


Financial Bureau,  
Ministry of Finance, JAPAN

## FILP Utilization Cases



The Okinawa Development Finance Corporation / The loan to Yaeyama Touring Ferry Inc., supporting the construction of ships to serve the needs of residents and tourism in remote islands / The ship / Ishigaki City, Okinawa Pref.



New Kansai International Airport Co., Ltd. / Airport development / Terminal 1 building, Kansai International Airport / Izumisano City, Tajiri Town, Sennan City, Osaka



Shimizu Town, Public Project (the library and other complex facility improvement project) / Shimizu Town Library and Insurance Center Complex / Shimizu Town, Suntou County, Shizuoka Pref.

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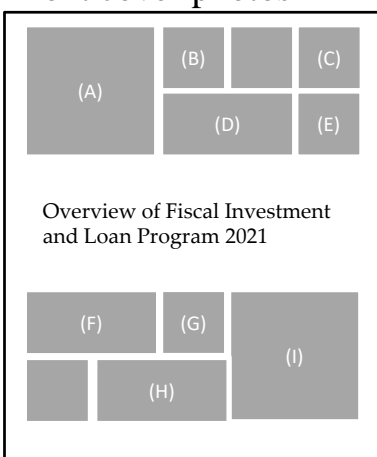
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- F) le Village / The project for measures in remote areas (Community development support (development of sports facilities)) / le Village Baseball Stadium / le Village, Kunigami County, Okinawa Pref.
- G) Japan Finance Corporation (Agriculture, Forestry, Fisheries, and Food Business Operation) / Labor-saving and productivity improvement / Cattle barn / Mizunami City, Gifu Pref.
- H) Welfare and Medical Service Agency / Medical loan operations / Moriyama Hospital / Asahikawa City, Hokkaido Pref.
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# 1 What is FILP?

Fiscal Investment and Loan Program (FILP) represents the investment and lending operation by the Japanese Government, using funds from non-tax sources such as the issuance of the FILP bonds and dividends from the government-held shares. FILP complements the private sector by providing pump-priming money and contributes to the growth strategy of Japan.

FILP consists of the three characteristic forms; (1) **Fiscal Loan**, (2) **Industrial Investment**, and (3) **Government Guarantee**.

## (1) Fiscal Loan (5 years or longer)

Fiscal Loan provides long-term, fixed, and low-interest loans for projects with policy needs and certainty of repayment. The resources are obtained through the issuance of the FILP bonds.

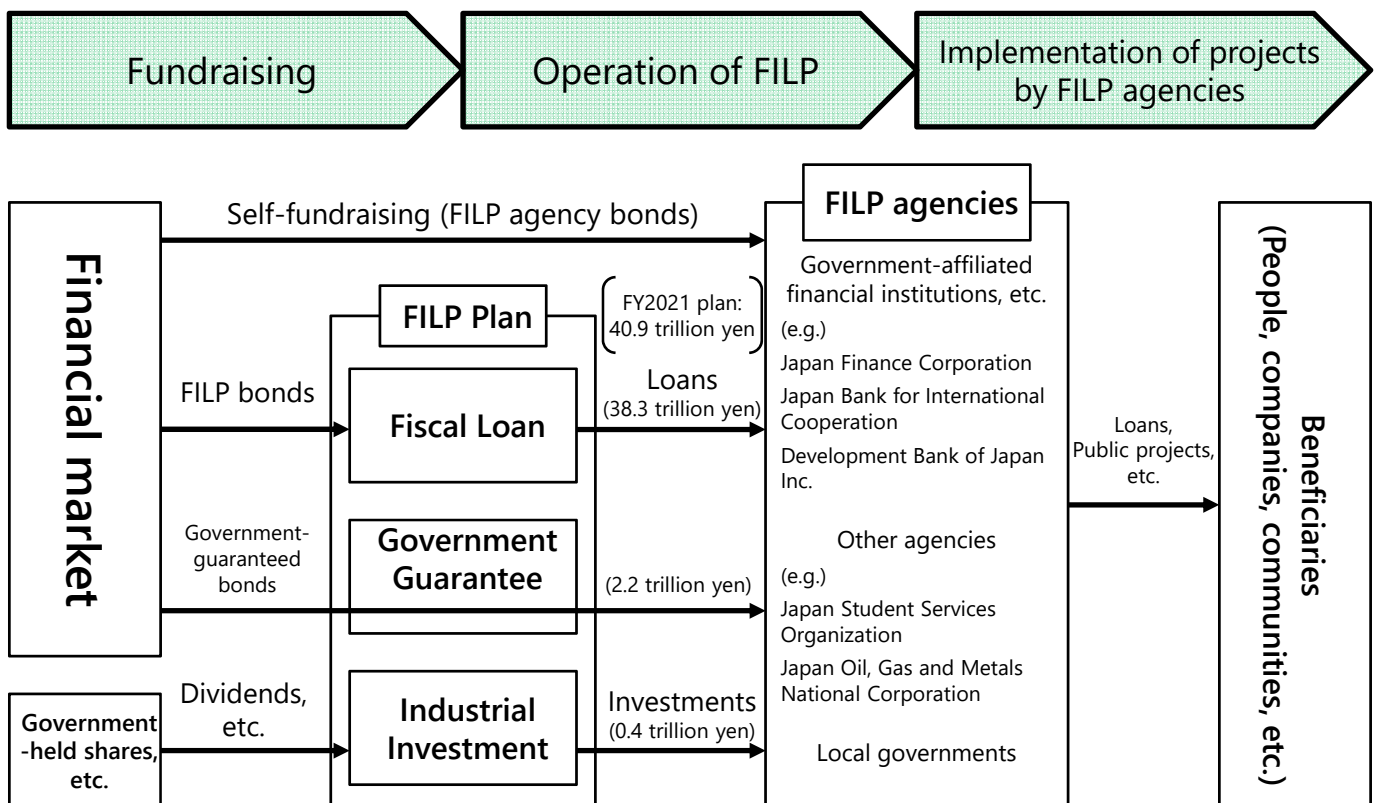
## (2) Industrial Investment

Industrial Investment finances projects with policy needs and profitability but not fully invested because of risks. It plays a pump-priming role in inducing the private sector to invest.

## (3) Government Guarantee (5 years or longer)

Government Guarantee is given for bonds issued and borrowing by FILP agencies. This allows FILP agencies to raise funds smoothly and on more favorable terms.

### Mechanism of FILP



## 2 Differences with the General Budget

The General Account collects taxes from taxpayers for public services, which are provided insufficiently only by the private sector under the market mechanism. The flow of money is unilateral from taxpayers to beneficiaries.

In contrast, FILP's resources consist of non-tax funds such as the issuance of the FILP bonds and dividends from the government-held shares, such as the NTT (Nippon Telegraph and Telephone Corporation) and JT (Japan Tobacco Inc.) shares. FILP agencies cover projects that are essential and profitable but provided insufficiently only by the private sector. Beneficiaries payback to FILP agencies and bear the financial burden of reimbursement. The flow of money is bilateral in FILP.

FILP represents the fiscal policy using "loan funds" and has the following features:

### Reduction of the tax burden

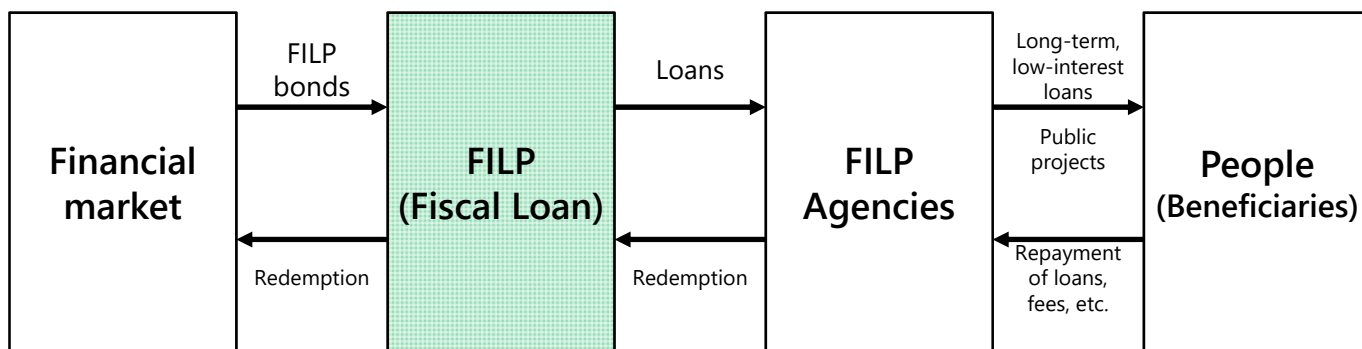
Public projects' beneficiaries bear the costs or fees to the extent of benefits they receive, and the tax burden is controlled.

### Governance

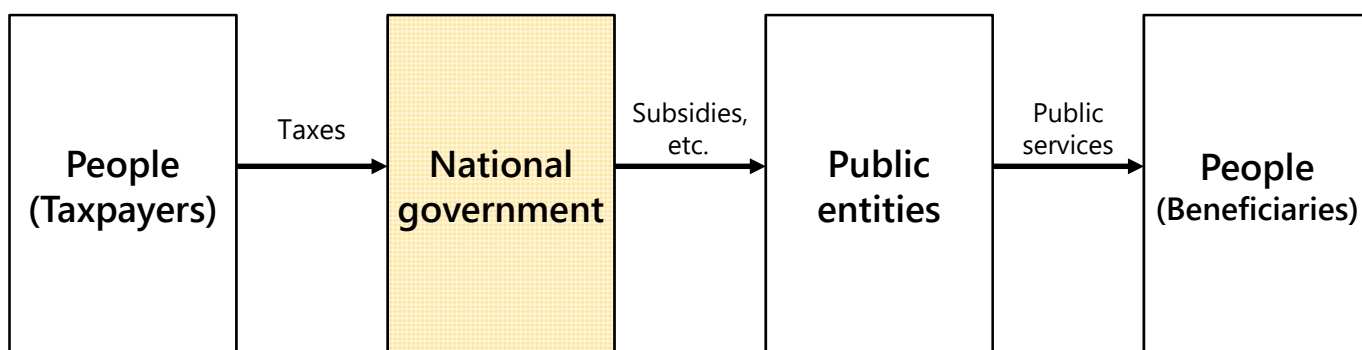
From the viewpoint of a lender or investor, the government runs along with the projects in the long distance and promotes good governance of the projects.

## Comparison: Flow of money from FILP and Budget

### FILP (Fiscal Loan)



### Budget



# 3 Fields where FILP is Utilized

FILP finances projects in various fields through FILP agencies such as government-affiliated financial institutions and incorporated administrative agencies.

## SMEs and micro-enterprises

Government-affiliated financial institutions finance SMEs and micro-enterprises with poor creditworthiness.

## Agriculture, forestry, and fisheries industry

FILP agencies promote facility investments in the agriculture, forestry, and fisheries industry, where businesses are strongly affected by natural conditions.

## Education

FILP agencies provide scholarship loans and promote the facility improvement of private schools.

## Welfare / Medical care

FILP agencies bolster the facility development in the welfare and medical service through financing the welfare service corporations and the medical corporations.

## Industry / Innovation

FILP agencies, including government-affiliated investment corporations, provide pump-priming money for enhancing the competitiveness of industries and for promoting innovation.

## Housing

FILP agencies operate in the business of disaster reconstruction and urban development.

## Social capital

FILP agencies manage large-scale, very long-term projects such as the airport, railroad, and expressway development.

## Overseas investment and loans

FILP agencies, including government-affiliated investment corporations, are engaged in securing a stable supply of natural resources and the overseas expansion of Japanese companies.

## Local governments

FILP is used for projects undertaken by local government in areas where the national government should take responsibility, such as disaster recovery, as well as for the social infrastructure development closely related to the lives of residents, such as water supply and sewage systems.



Development Bank of Japan Inc. / Investment in SkyDrive Inc. (supporting the development of flying cars) / The demonstration experiments for the social implementation of flying cars / Toyota City, Aichi Pref.



Urban Renaissance Agency / The rental housing program / Rental housing / Chigasaki City, Kanagawa Pref.

# 4 The FILP Reform

The FILP Reform, a fundamental reform of the FILP system, was implemented in FY2001.

Before the reform, the postal savings and the pension reserves were obligatorily deposited as the resources of FILP. It was criticized as hindering the efficient management of FILP, as the resources were collected irrespective of demands.

In response, the FILP Reform was undertaken to make FILP more efficient and consistent with market principles.

The points of the reform are the following:

## Abolition of the deposit obligation for the postal savings and the pension reserves

The funds were to be raised from the financial market through the issuance of the FILP bonds. It has made it possible to raise funds in response to demands.

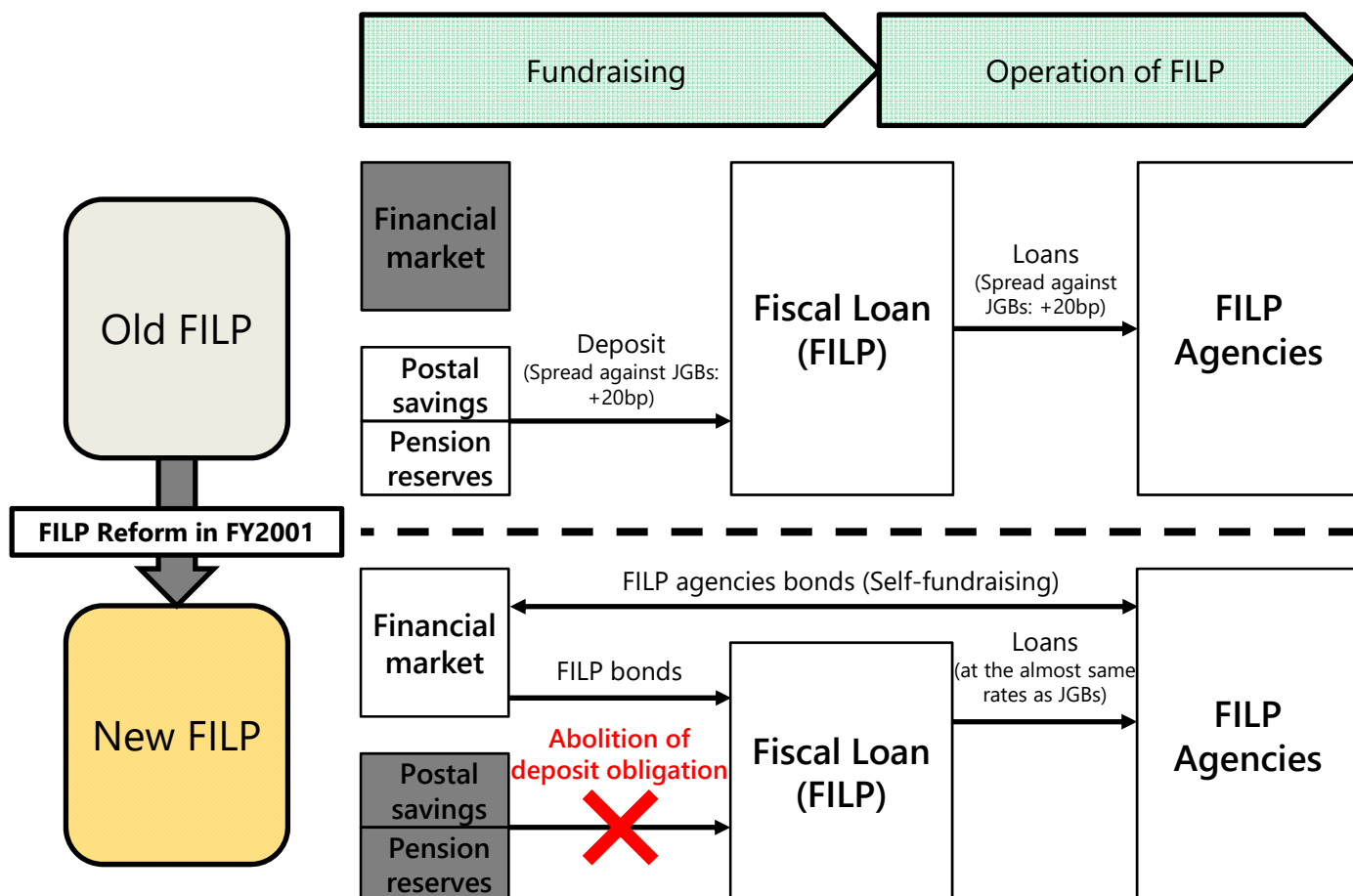
## Issuance of the FILP bonds at the same interest rates as ordinary JGBs

Before the reform, the depository rate was higher than the market rate of the JGBs. The issuance of FILP bonds in the financial market has made it possible to raise funds at lower interest rates.

## Introduction of the policy-cost analysis

The policy-cost analysis clarifies the extent to which policy costs, expected future subsidies, and opportunity costs of investments, are incurred for projects that utilize FILP.

### How has FILP changed after the reform?



# 5 Initiatives for the FILP Soundness

## (1) Policy-cost analysis

From the perspective of disclosure, we estimate the future cash flows of projects that utilize FILP to confirm the project prospects and the certainty of reimbursement, as well as to calculate and disclose the policy-cost as the future burden of the public.

## (2) Asset-Liability Management (ALM)

To reduce the risk of interest rate fluctuations arising from the mismatch in duration between loan and funding, we are working to close the gap from the cash flows between assets such as loans and liabilities such as the FILP bonds.

## (3) Reserves

To prepare for possible future losses, the Fiscal Loan Fund Account sets aside up to 50/1000 of its total assets in the event of profits.

## (4) On-Site Monitoring

### i. On-site monitoring of FILP agencies

Incorporate administrative agencies and other organizations that carry out projects subject to FILP are checked for (1) policy significance appropriate to the project, (2) financial soundness and certainty of repayment, and (3) proper execution of funds.

### ii. On-site monitoring of local governments

Local governments are also subject to checks on (1) the use of loan funds, (2) the results of their projects, and (3) their financial status (certainty of repayment).



# 1 The Flowchart of Formulating the FILP Plan

## What is the FILP Plan?

The FILP Plan is designed to organize the government's investment and loan activities in a unified manner. It includes the planned Fiscal Loan, Industrial Investment, and Government Guarantee for each FILP agency.

## Formulating the FILP Plan

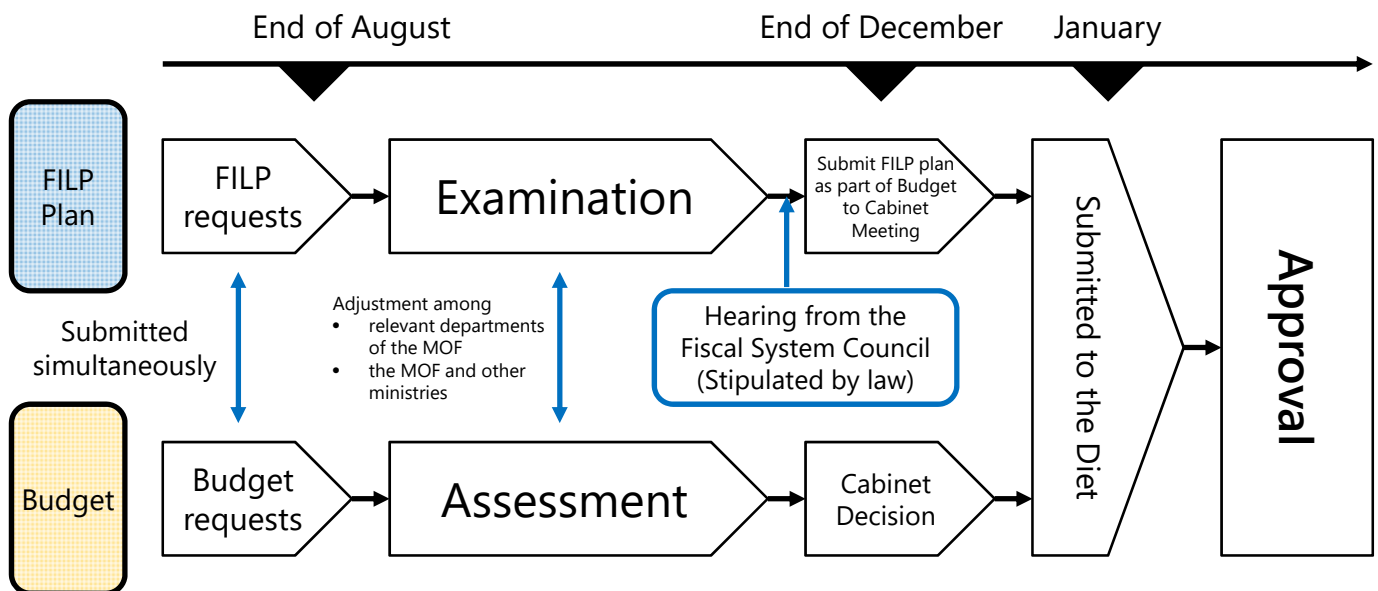
1. The Ministers in charge of FILP agencies compile the FILP requests of the agencies and submit them to the Minister of Finance at the same time as the Budget request.
2. The requests of each FILP agency are reviewed by the Ministry of Finance (the Financial Bureau), with input from the FILP Subcommittee.

During the examination process, the following points are scrutinized:

- The necessity of individual policies
- The possibility that the policy will inhibit the private sector
- Certainty of reimbursement of funds

The FILP Plan thus formulated is submitted to the Cabinet at the same time as the Budget.

## Flowchart of formulating FILP Plan



## (Reference) FILP Subcommittee

The FILP Subcommittee is established under the Council on Fiscal System, an advisory body to the Minister of Finance to consider the overall fiscal policy of the government. The FILP Subcommittee comprises members with academic experience and is required by law to express its opinions in advance on the Fiscal Investment and Loan Program for each fiscal year.

# 2 FILP's Response to COVID-19

Considering “Emergency Economic Measures to Cope with COVID-19” (Apr 7, 2020, Amended on Apr 20, 2020), we added the largest-ever FILP Plan in the FY2020 first and second supplementary budgets.

**1st Supplementary Budget: 10,187.7 billion yen**  
**2nd Supplementary Budget: 39,425.8 billion yen**

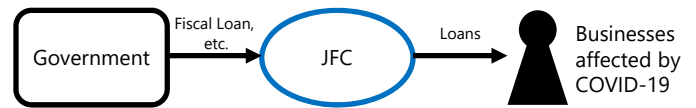
## Measures for the financing of SMEs, medium-sized and large enterprise

### Japan Finance Corporation (Micro Business and Individual Operations / SME Operations)

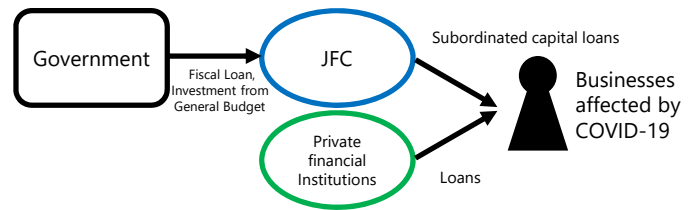
1st Supplementary Budget: 3,100.0 billion yen in Fiscal Loan  
 2nd Supplementary Budget: 21,763.0 billion yen in Fiscal Loan,  
 500.0 billion yen in Government Guarantee

- To support the financing of SMEs and small-sized enterprises affected by the COVID-19, the COVID-19 Special Loan Program is expanded.
- Provide subordinated capital loans to enterprises affected by COVID-19 to support the growth and continuation of their businesses while encouraging financial support from private financial institutions

#### COVID-19 Special Loan Program



#### Subordinated capital loans

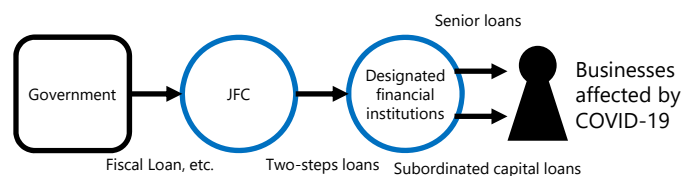


### Japan Finance Corporation (Account for Operations to Facilitate Crisis Responses)

1st Supplementary Budget: 6,000.0 billion yen in Fiscal Loan  
 2nd Supplementary Budget: 9,000.0 billion yen in Fiscal Loan,  
 6,000.0 billion yen in Government Guarantee

- Expand Operations to Facilitate Crisis Responses to support the financing of small, medium, and large companies and to provide subordinated capital loans (about five trillion yen), encouraging financial support from private financial institutions.

#### Overview of Operations to Facilitate Crisis Responses



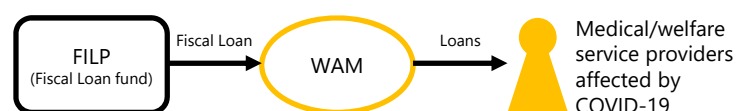
## Measures for the financing of medical and welfare service providers

### Welfare and Medical Service Agency

1st Supplementary Budget: 125.0 billion yen in Fiscal Loan  
 2nd Supplementary Budget: 1,320.0 billion yen in Fiscal Loan

- Support the financing of medical/welfare service providers that have closed or reduced operations due to the COVID-19 through interest-free, unsecured, and other preferential loans.

#### Loans for medical/welfare service providers



# 3 FILP in the Comprehensive Economic Measures

Considering "Comprehensive Economic Measures to Secure People's Lives and Livelihood toward Relief and Hope" (Dec 8, 2020), we added the FILP Plan in the FY2020 third supplementary budget.  
**3rd Supplementary Budget: 1,434.1 billion yen**

## 1. Securing safety and relief with respect to disaster management, etc.

### Expressway Network Development

**Japan Expressway Holding and Debt Repayment Agency:** 500.0 billion yen in Fiscal Loan

- Increase the number of lanes to 4 among the priority development sections selected from the three perspectives of securing the network, ensuring time reliability, and preventing accidents.

Securing the network



Ensuring time reliability



Preventing accidents



### Urban Redevelopment, etc.

**Development Bank of Japan Inc.:** included in 600.0 billion yen in Fiscal Loan

**Urban Renaissance Agency:** 58.1 billion yen in Fiscal Loan

**Organization for Promoting Urban Development:** 2.0 billion yen in Government Guarantee

- Promote urban redevelopment that contributes to disaster prevention, such as securing evacuation routes.
- Revitalize locals by promoting the formation of private-sector centers that consider the diverse office needs, such as satellite offices.

Widening roads to secure evacuation routes in the event of a disaster



Images of a satellite office



## 2. Promoting structural changes & positive economic cycles for the Post-Corona era

### Digitization

**Development Bank of Japan Inc.:** included in 600.0 billion yen in Fiscal Loan

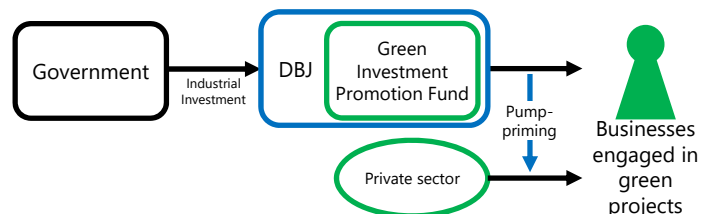
- DBJ funds the development of digital infrastructure and the digital transformation of businesses.

### Green Society

**Development Bank of Japan Inc.:** 20.0 billion yen in Industrial Investment

- DBJ sets up the Green Investment Promotion Fund and provides pump-priming money to encourage private companies to invest in the development of energy conversion and next-generation technologies.

### Establishment of the Green Investment Promotion Fund



### Airport Development

**New Kansai International Airport Co., Ltd.:** 200.0 billion yen in Fiscal Loan

**Special Account for Motor Vehicles Safety (Airport improvement account):** 54.0 billion yen in Fiscal Loan

- Develop the airport infrastructure with a view to the resumption of international human traffic.

# 4 Key Points of the FY2021 FILP Plan

## The FY2021 FILP Plan (40,905.6 billion yen) focuses on...

### 1. Strong support for companies and businesses affected by COVID-19

- Support companies' cash flow while also providing subordinated capital loans.  
**Japan Finance Corporation,  
 The Okinawa Development Finance Corporation:** 25,240.7 billion yen in Fiscal Loan
- Support medical service providers.  
**Welfare and Medical Service Agency:** 1,689.8 billion yen in Fiscal Loan

### 2. Bold acceleration of innovation, business revitalization, and structural transformation

- Establish the "DBJ Innovation Life Science Fund" to accelerate investment by the private sector in innovation in the medical field, in cooperation with the Japan Agency for Medical Research and Development (AMED) and other organizations.  
**Development Bank of Japan Inc.:** 75.0 billion yen in Industrial Investment, 300.0 billion yen in project scale
- Support the recovery and structural transformation of local businesses by providing capital funds to investment subsidiaries and funds of private financial institutions.  
**Development Bank of Japan Inc.:** 100.0 billion yen at maximum in Industrial Investment, 400.0 billion yen at maximum in project scale
- Establish the University Fund to build a world-class research foundation.  
**Japan Science and Technology Agency:** 4,000.0 billion yen in Fiscal Loan

### 3. Acceleration of infrastructure development that contributes to productivity improvement, disaster prevention and mitigation, and national land resilience in the low-interest rates

- Accelerate the conversion of tentative two-lane expressways to four-lane expressways and the development of bullet trains, airports, and urban railroads.  
 922.8 billion yen in Fiscal Loan
- Support the development of lifelines and drainage-related infrastructure contributing to regional disaster prevention and mitigation and national resilience.  
**Local governments:** included in 3,684.7 billion yen in Fiscal Loan

## FY2021 FILP Plan

(Unit: billion yen)

	FY2020	FY2021		FY2020	FY2021
<b>1. Cash flow support, strengthening of corporate growth potential, etc.</b>	4,795.0	26,646.6	<b>3. Support for global development by Japanese companies, etc.</b>	2,049.0	2,041.1
including:			including:		
Japan Finance Corporation	3,668.4	25,230.7	Japan Bank for International Cooperation	1,243.5	1,165.0
including:			Japan International Cooperation Agency	571.1	678.4
Micro Business and Individual Operations	2,034.0	9,301.3	Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development	121.0	107.8
Small and Medium Enterprise Operations	945.4	4,935.4	Fund Corporation for the Overseas Development of Japan's ICT and Postal Services Inc.	42.3	28.5
Agriculture, Forestry, Fisheries and Food Business Operations	520.0	700.0	Cool Japan Fund Inc.	23.0	12.0
Operations to Facilitate Crisis Responses	99.0	10,099.0	<b>4. Education, welfare and medical services</b>	1,063.0	6,579.6
The Okinawa Development Finance Corporation	126.6	515.9	including:		
Development Bank of Japan Inc.	900.0	900.0	Japan Student Services Organization	658.5	620.9
<b>2. Accelerating infrastructure development, etc.</b>	2,377.9	1,953.6	Japan Science and Technology Agency	-	4,000.0
including:			Welfare And Medical Service Agency	259.4	1,689.8
Japan Expressway Holding and Debt Repayment Agency, etc.	1,240.0	620.0	<b>5. Local Governments</b>	2,934.6	3,684.7
Japan Railway Construction, Transport and Technology Agency	156.8	345.8	Total	13,219.5	40,905.6
Special Account for Motor Vehicles Safety (Airport improvement account)	-	117.8			

# Individual Cases

## Japan Finance Corporation

(Micro Business and Individual Operations / SME Operations / Operations to Facilitate Crisis Responses)

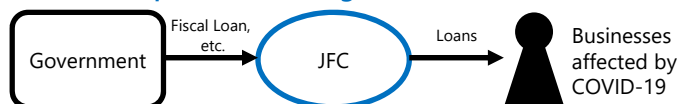
- Concerning responses toward COVID-19, FILP is provided on a scale that ensures full support for the financing of small and medium-sized businesses.
- Also, support initiatives for productivity improvement through business transformation and digitization.

**23,832.0 billion yen in Fiscal Loan, 3.7 billion yen in Industrial Investment, 500.0 billion yen in Government Guarantee**

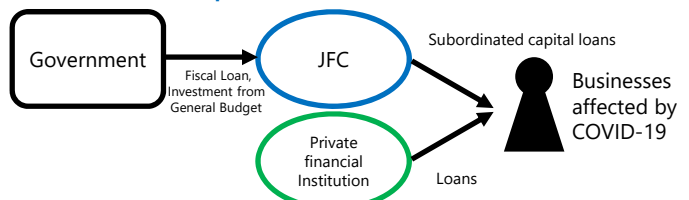
### Size of FILP (Unit: billion yen)

	FY2020 (initial)	(1 <sup>st</sup> supplementary)	(2 <sup>nd</sup> supplementary)	FY2021	
Micro Business and Individual Operations	FILP	2,034.0	1,700.0	12,363.0	9,301.3
	Fiscal Loan	2,030.0	1,700.0	12,113.0	9,050.0
	Industrial Investment	4.0	-	-	1.3
	Government Guarantee	-	-	250.0	250.0
Small and Medium Enterprise Operations	FILP	945.4	1,400.0	9,900.0	4,935.4
	Fiscal Loan	928.0	1,400.0	9,650.0	4,683.0
	Industrial Investment	17.4	-	-	2.4
	Government Guarantee	-	-	250.0	250.0
Operators to Facilitate Crisis Responses	FILP	99.0	6,000.0	15,000.0	10,099.0
	Fiscal Loan	99.0	6,000.0	9,000.0	10,099.0
	Industrial Investment	-	-	-	-
	Government Guarantee	-	-	6,000.0	-

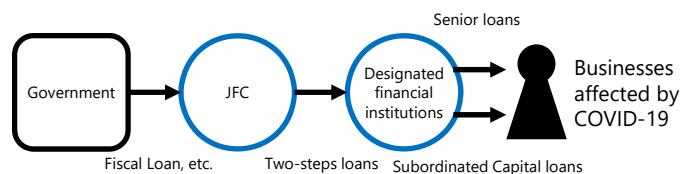
### COVID-19 Special Loan Program



### Subordinated capital loans



### Overview of Operations to Facilitate Crisis Responses



## Development Bank of Japan Inc. (DBJ I)

- Support urban redevelopment that contributes to disaster prevention, mitigation, and national resilience, and development of 5G communication network to promote DX (digital transformation).

**450.0 billion yen in Fiscal Loan, 175.0 billion yen in Industrial Investment, 275.0 billion yen in Government Guarantee**

### Size of FILP (Unit: billion yen)

	FY2020 (initial)	(supplementary)	FY2021
FILP	900.0	920.0	900.0
Fiscal Loan	450.0	600.0	450.0
Industrial Investment	100.0	220.0	175.0
Government Guarantee	350.0	100.0	275.0

### Provision of money for long-term projects

- Infrastructure development for urban redevelopment and DX

Image of a satellite office

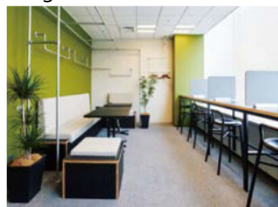


Image of a solar power plant



Image of the development of communication infrastructure



Sophistication of logistics functions through the use of AI and robots



### Citation from the "Comprehensive Economic Measures to Secure People's Lives and Livelihoods toward Relief and Hope"

- Promoting Digital Transformation through the Development Bank of Japan. In addition to this, through the Development Bank of Japan, support will be provided for initiatives to realize a green society, such as the utilization of renewable energy (Establishment of the "Green Investment Promotion Fund"), as well as urban redevelopment and infrastructure development, such as electricity, that contribute to disaster prevention and mitigation, and national land's resilience.

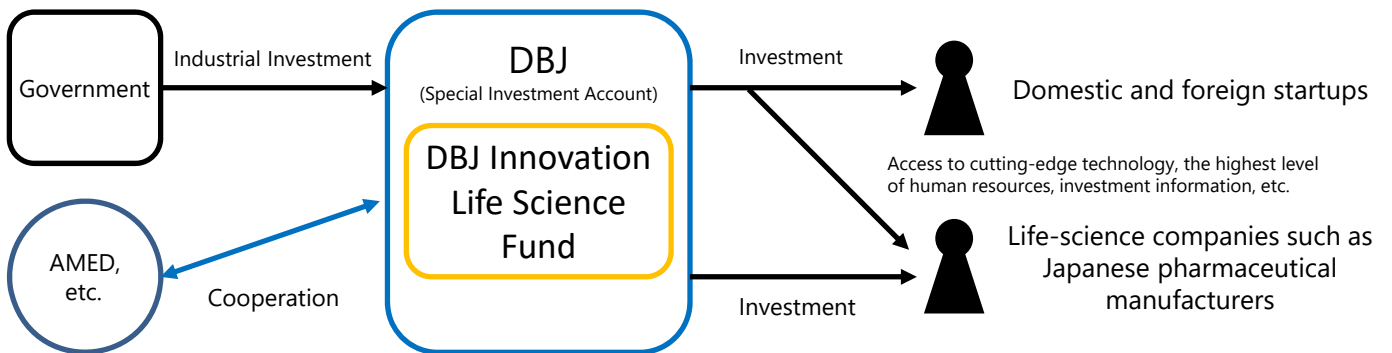
## Strengthening competitiveness of the life-science industry (DBJ II)

- Strengthening the competitiveness of the life-science industry, especially drug discovery and biotechnology, has been positioned as a priority issue for Japanese industry, as mentioned in the “Basic Policy on Economic and Fiscal Management and Reform 2020” and the economic measures.
- DBJ has supported the acquisition of overseas drug discovery start-ups by Japanese companies, with healthcare as one of its priority areas. The following initiatives will be even more critical in the future:
  1. Strategic investment in domestic and overseas start-ups through Japanese companies and bridging them to Japanese companies
  2. Support for expanding investment in life science companies by Japanese pharmaceutical manufacturers and other life science companies

**➡ Establish the “DBJ Innovation Life Science Fund“ and collaborate with the Japan Agency for Medical Research and Development (AMED) and other organizations.**

**75.0 billion yen in Industrial Investment (300.0 billion yen in project scale)**

### Establishment of the “DBJ Innovation Life Science Fund”



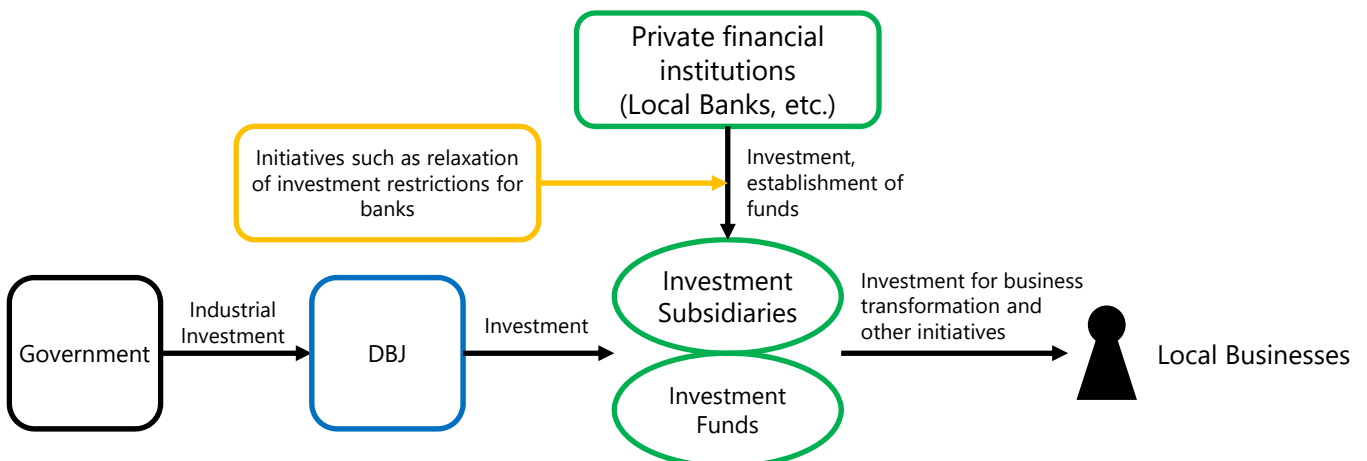
## Support for private financial institutions and funds for the recovery and growth of local companies (DBJ III)

- It is necessary to encourage companies to invest in business structural reforms and business format changes to return the Japanese economy to a strong growth trajectory as the social and economic structure changes due to the impact of the COVID-19.
- Given the situation where a vast number of companies in a wide range of industries are affected, it is essential not only for public institutions to take action but also for private financial institutions and funds to utilize their financial resources, human resources, and know-how.

**➡ Provide capital funds, such as equity investments, to encourage and foster initiatives by private financial institutions and funds.**

**100.0 billion yen at maximum in Industrial Investment (400.0 billion yen at maximum in project scale)**

### Provision of capital funds for the recovery and growth of local businesses

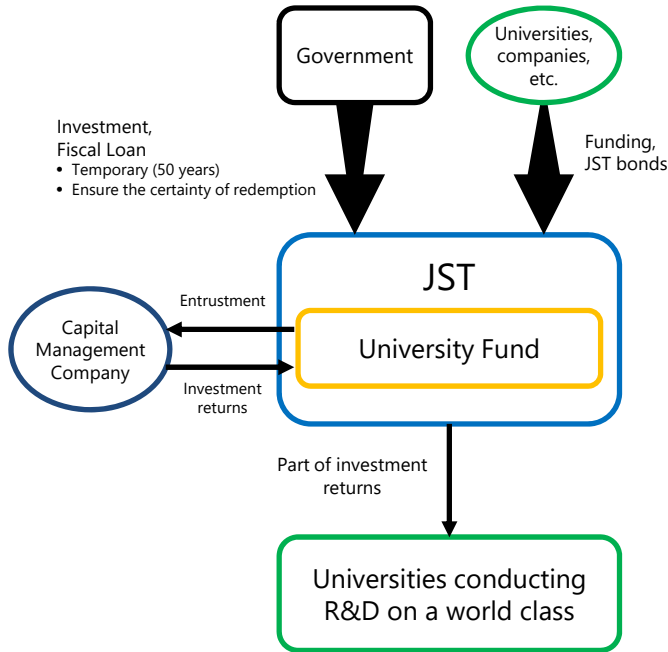


## Japan Science and Technology Agency

- Establish University Fund and apply its investment returns to build an innovation ecosystem in Japan by promoting the development of common facilities and data linkage infrastructure for universities that conduct R&D on a world class, as well as the development of young human resources such as doctoral students.
- Fiscal Loan funds will be used as the necessary operational resource for this purpose.

**4,000.0 billion yen in Fiscal Loan**

### Establishment of University Fund



### Citation from the "Comprehensive Economic Measures to Secure People's Lives and Livelihoods toward Relief and Hope"

The Government will establish University Fund with a scale of 10 trillion yen\* and apply gains resulting from the investment of the fund to develop common facilities and data linkage infrastructure for universities that conduct research and development on a world-class level and to foster young human resources such as doctoral students, thereby building our country's innovation ecosystem\*\*. In selecting universities that are eligible for participating in the fund, the Government will require applicant universities to commit themselves to university reforms, such as autonomous management, responsible governance, and increasing efforts to acquire external funds, as well as to make contribution to the fund, while reviewing existing related projects\*\*\*. For the time being, this fund will be financed by national funds, including fiscal loan funds, and will gradually require more financial contribution from participating universities and the private sector. The goal is that the participating universities will manage the fund with their own financial resources in the future. Contribution of the fiscal loan funds should be tentative to promote the independence of the fund. They should be repaid in a timely manner, taking into account the impact on the market. For this, a mechanism to ensure safe and efficient management and stable redemption of the fund\*\*\*\* will be established.

\*The Government will strive to promptly realize a fund with a scale of 10 trillion yen, while taking into account the institutional design of university reform, etc.

\*\*This is a system like an ecosystem in which each player relates to each other and autonomously accelerates the creation of innovation.

\*\*\*For choosing eligible universities, the Government will discuss necessary institutional reform and get a conclusion.

\*\*\*\*Based on the purpose of timely disclosure, the Government will build a system to verify the status of investment at an appropriate frequency, and if the status of investment falls below a certain level for a certain period of time, take necessary measures, such as providing for mandatory review on the investment in a law, including the suspension of investment and early redemption.

## Japan Expressway Holding and Debt Repayment Agency

- Since FY2018, the Fiscal Loan funds have been used to accelerate the development of the expressway network for productivity improvement and disaster prevention/mitigation measures.
- We will continue to use the Fiscal Loan funds for the JEHDRA to accelerate the development of the expressway network continuously.

**500.0 billion yen in Fiscal Loan, 120.0 billion yen in Government Guarantee**

### Size of FILP (Unit: billion yen)

	FY2020 (initial)	(3 <sup>rd</sup> supplementary)	FY2021
FILP	980.0	500.0	620.0
Fiscal Loan	860.0	500.0	500.0
Industrial Investment	-	-	-
Government Guarantee	120.0	-	120.0

### Conversion of tentative two-lane expressways to four-lane expressways for improvement of safety and credibility

Increase the number of lanes to 4 among the priority development sections selected from the three perspectives of securing the network, ensuring time reliability and preventing accidents.

Securing the network



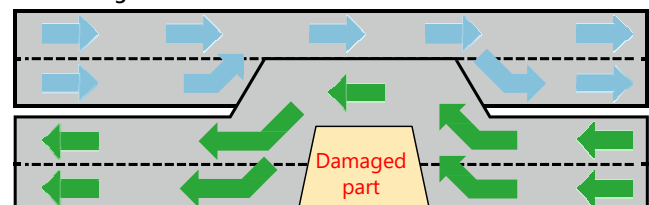
Ensuring time reliability



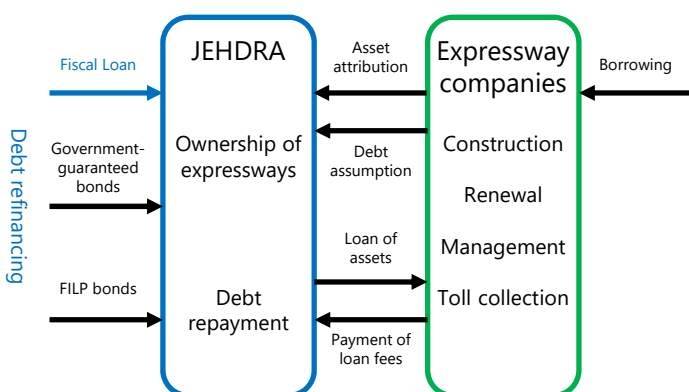
Preventing accidents



Four-lane construction to secure traffic at the earliest possible time during disaster



### Scheme of the project



# Japan Railway Construction, Transport and Technology Agency (Construction account)

- The construction of the bullet trains is funded by loan revenues from JR companies, as well as the national government and local governments.
- The construction of the bullet train is carried out by reducing the interest burden by using long-term, fixed, and low-interest Fiscal Loans to advance the financial plan that uses loan fee revenues as a source of repayment.

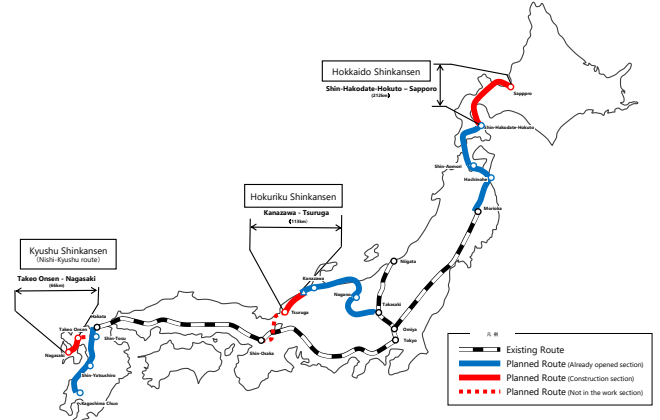
**300.0 billion yen in Fiscal Loan**

Size of FILP (Unit: billion yen)

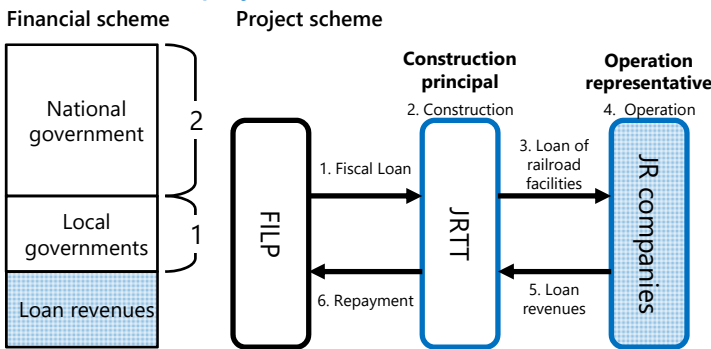
	FY2020 (initial)	FY2021
FILP	-	300.0
Fiscal Loan	-	300.0
Industrial Investment	-	-
Government Guarantee	-	-

\* The amount related to the construction of the bullet trains is listed.

Current status of planned development routes



## Schemes of the project



Images of the construction



# Special Account for Motor Vehicles Safety (Airport improvement account)

- Develop the airport infrastructure to view the resumption of international human traffic, taking advantage of the current low-interest-rate situation while considering COVID-19 countermeasures.

**117.8 billion yen in Fiscal Loan**

Size of FILP (Unit: billion yen)

	FY2020 (initial)	(3 <sup>rd</sup> supplementary)	FY2021
FILP	-	54.0	117.8
Fiscal Loan	-	54.0	117.8
Industrial Investment	-	-	-
Government Guarantee	-	-	-

## Airport development

### Haneda Airport

- Implement the development of infrastructure facilities for airport rail links to improve accessibility and airport security facilities.

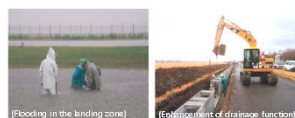
### Fukuoka Airport, Naha Airport, New Chitose Airport, etc.

- To achieve its function as a gateway, Fukuoka Airport implements a runway expansion project, and Naha Airport and New Chitose Airport strengthen their terminal areas.

## Measures for disaster prevention and mitigation, and aging of airport facilities

- In addition to measures against flooding in preparation for typhoons and torrential rains, earthquake-resistant measures are taken for basic facilities necessary to secure functions as a base for transporting emergency goods in an earthquake disaster and maintaining the airport network.
- Implement efficient and effective renewal and improvement of aging facilities.

### Measures against flooding



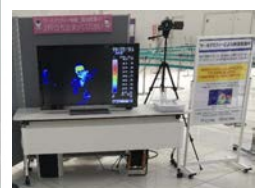
### Earthquake-resistant measures



### Haneda Airport

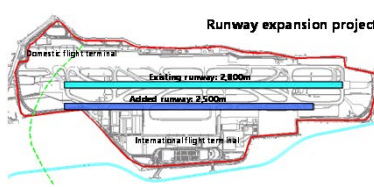


### Measuring body temperature using thermography



Source: Kansai Airports

### Fukuoka Airport



### Ensuring passenger spacing using floor markings





## Japan Bank for International Cooperation (JBIC)

- To achieve the transformation of the economic structure and a virtuous cycle in the post-Corona era, JBIC supports Japanese companies in:
  - overseas development of high-quality infrastructure and other overseas business activities toward a decarbonized society, and
  - strengthening their supply chains, including securing, reorganizing, and duplicating them.

**215.0 billion yen in Fiscal Loan, 60.0 billion yen in Industrial Investment, 890.0 billion yen in Government Guarantee**

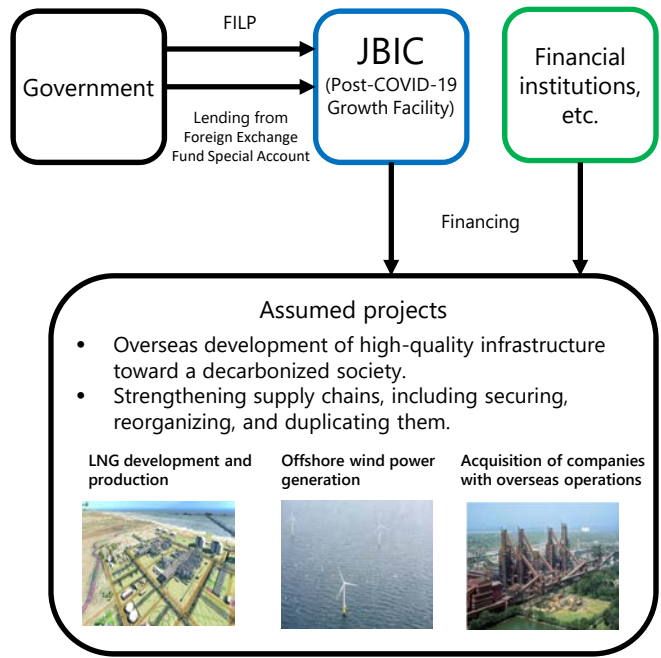
### Size of FILP

(Unit: billion yen)

		FY2020 (initial)	FY2021
FILP	Total	1,243.5	1,165.0
	Ordinary Operation	1,152.5	1,074.0
	Special Operation	91.0	91.0
Fiscal Loan	Total	281.0	215.0
	Ordinary Operation	220.0	154.0
	Special Operation	61.0	61.0
Industrial Investment	Total	80.0	60.0
	Ordinary Operation	70.0	50.0
	Special Operation	10.0	10.0
Government Guarantee	Total	882.5	890.0
	Ordinary Operation	862.5	870.0
	Special Operation	20.0	20.0

\* The target of the Special Operation is overseas infrastructure projects that are difficult to handle by the Ordinary Operation.

### Post-COVID-19 Growth Facility (since January, 2021)



## Welfare and Medical Service Agency

- Accurately respond to funding needs for medical, nursing care, and welfare facilities by reinforcing the foundation of welfare and medical services.
- Support the financing of medical/welfare service providers with closed or reduced operations due to the COVID-19 as part of the Comprehensive Economic Measures.

**1,689.8 billion yen in Fiscal Loan**

### Size of FILP

(Unit: billion yen)

	FY2020 (initial)	(1st supplementary)	(2nd supplementary)	The increase on the flexible management clause	FY2021
FILP	259.4	125.0	1,320.0	793.0	1,689.8
Fiscal Loan	259.4	125.0	1,320.0	793.0	1,689.8
Industrial Investment	-	-	-	-	-
Government Guarantee	-	-	-	-	-

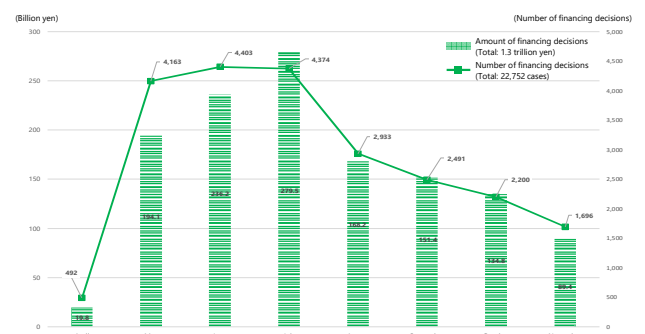
### Funds supporting countermeasures against COVID-19

1,402.6 billion yen in Fiscal Loan

- Support the financing of medical/welfare service providers with closed or reduced operations due to the COVID-19 through interest-free, unsecured, and other preferential loans.



### Results of COVID-19 response support funds (as of November, 2020)



### Ordinary loans (for construction, etc.)

287.2 billion yen in Fiscal Loan

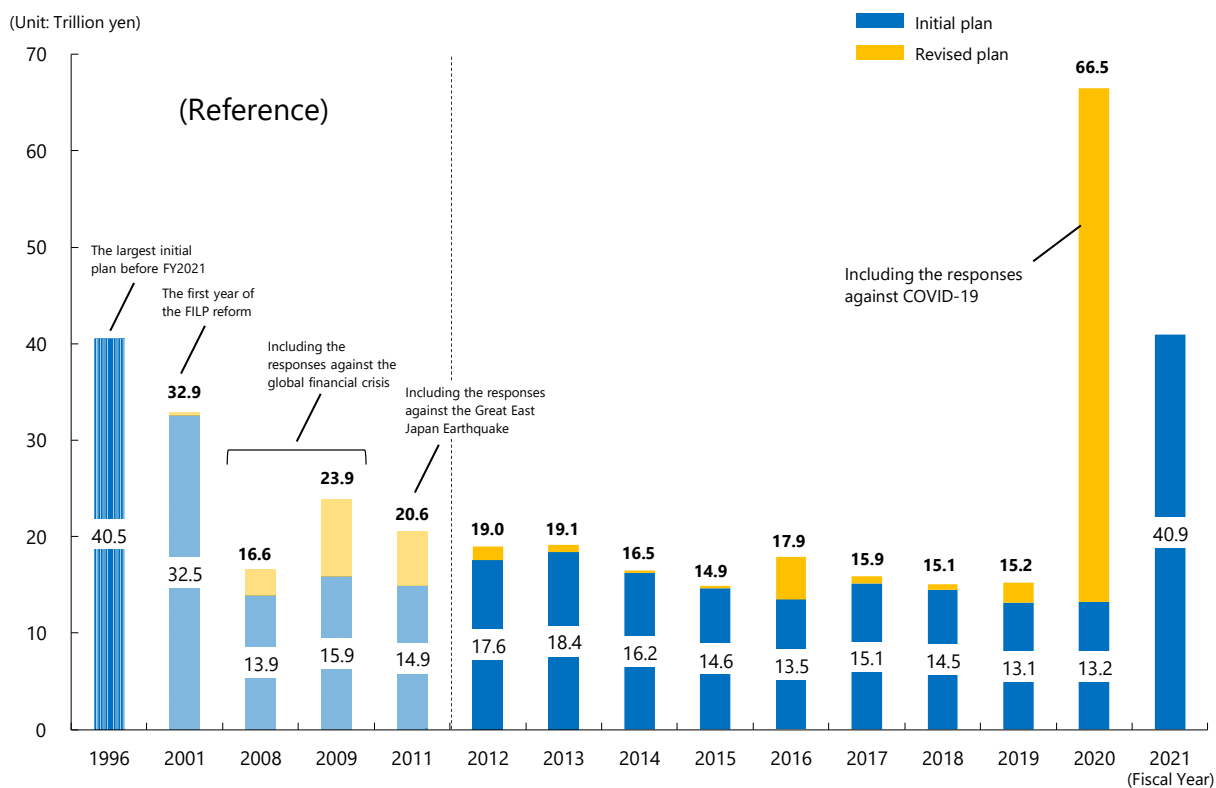
- Provide loans for the construction of social welfare facilities, hospitals, and senior health services facilities.



# 1

## The transition of the FILP Plan (Flow/Stock basis)

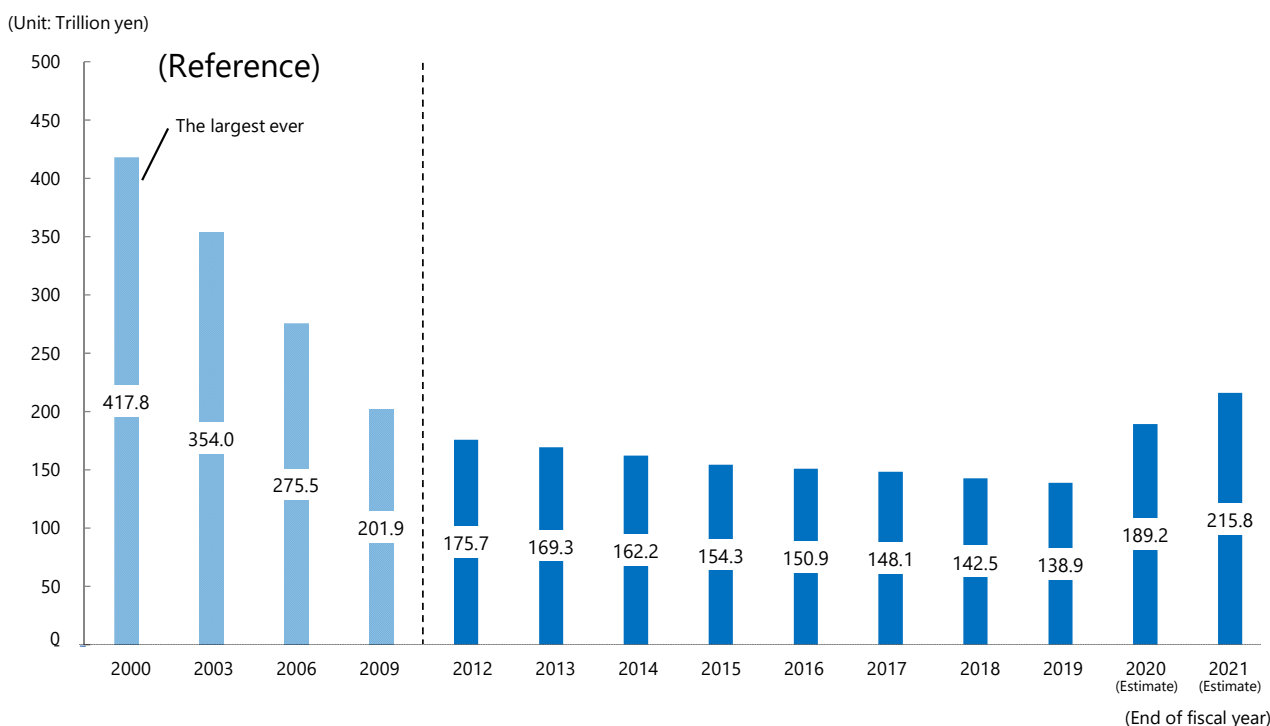
### Transition (flow) in the FILP Plan



(Note)

1. On an initial plan basis. Data in bold are those revised with supplementary budgets and increases on the flexible management clause.
2. The figure for FY1996 is based on general FILP.

### Transition (stock) in the FILP Plan balance



(Note)

The figures through FY2019 are the actual budget performances. Figures for FY2020 and FY2021 represent estimates available as of December 21, 2020, and may be revised.

## 2 List of FILP Agencies

FILP agencies are institutions that use FILP.

Each FILP agency plays a specific policy role, as shown below in the FY2021 FILP Plan.

(Unit: billion yen)

Institutions	Fiscal Loan	Industrial Investment	Government Guarantee	Total
<b>Special Accounts</b>				
Special Account for Stable Supply of Food	1.0	-	-	1.0
Special Account for Energy Measures	11.2	-	-	11.2
Special Account for Motor Vehicles Safety (Airport improvement account)	117.8	-	-	117.8
<b>Government Financial Institutions</b>				
Japan Finance Corporation	24,727.0	3.7	500.0	25,230.7
The Okinawa Development Finance Corporation	513.7	2.2	-	515.9
Japan Bank for International Cooperation	215.0	60.0	890.0	1,165.0
Japan International Cooperation Agency (Incorporated Administrative Agency)	614.4	-	64.0	678.4
<b>Incorporated Administrative Agencies, etc.</b>				
The Promotion and Mutual Aid Corporation for Private Schools of Japan	29.1	-	-	29.1
Japan Student Services Organization (Incorporated Administrative Agency)	620.9	-	-	620.9
Japan Science and Technology Agency (National Research and Development Agency)	4,000.0	-	-	4,000.0
Welfare and Medical Service Agency (Incorporated Administrative Agency)	1,689.8	-	-	1,689.8
National Hospital Organization (Incorporated Administrative Agency)	180.1	-	-	180.1
National Cancer Center Japan (National Research and Development Agency)	1.5	-	-	1.5
National Center for Child Health and Development (National Research and Development Agency)	1.0	-	-	1.0
National Center for Geriatrics and Gerontology (National Research and Development Agency)	3.1	-	-	3.1
National Institution for Academic Degrees and Quality Enhancement of Higher Education (Incorporated Administrative Agency)	54.1	-	-	54.1
Japan Railway Construction, Transport and Technology Agency (Incorporated Administrative Agency)	345.8	3.4	-	349.2
Japan Housing Finance Agency (Incorporated Administrative Agency)	43.1	-	220.0	263.1
Urban Renaissance Agency (Incorporated Administrative Agency)	492.7	-	-	492.7
Japan Expressway Holding and Debt Repayment Agency (Incorporated Administrative Agency)	500.0	-	120.0	620.0
Japan Water Agency (Incorporated Administrative Agency)	1.0	-	-	1.0
Forest Research and Management Organization (National Research and Development Agency)	5.1	-	-	5.1
Japan Oil, Gas and Metals National Corporation (Incorporated Administrative Agency)	0.6	34.2	-	34.8
<b>Local Governments</b>				
Local Governments	3,684.7	-	-	3,684.7
<b>Special Corporations, etc.</b>				
Development Bank of Japan Inc.	450.0	175.0	275.0	900.0
Organization for Promoting Urban Development	-	-	35.0	35.0
Central Japan International Airport Co., Ltd.	-	-	22.1	22.1
Private Finance Initiative Promotion Corporation of Japan	-	-	50.0	50.0
Cool Japan Fund Inc.	-	12.0	-	12.0
Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development	-	53.1	54.7	107.8
Fund Corporation for the Overseas Development of Japan's ICT and Postal Services Inc.	-	19.0	9.5	28.5
<b>Total</b>	<b>38,302.7</b>	<b>362.6</b>	<b>2,240.3</b>	<b>40,905.6</b>

(Note) Figures are based on the initial plan of FY2021.