

Signing of a MOU on the study of a financial framework to support the development of a Carbon Neutral Port

The City of Yokohama is working to form a Carbon Neutral Port (CNP) in cooperation with the national government and the private sector with the aim of realizing a decarbonized society by 2050.

The City of Yokohama (Mayor: Takeharu YAMANAKA) and Mizuho Bank, Ltd. (President & CEO: Katsuhiko KATO) have signed a Memorandum of Understanding (MOU) to jointly study the creation of a new financial support scheme for the decarbonization activities of companies and organizations in the Yokohama waterfront area, in forming a CNP at the Port of Yokohama.

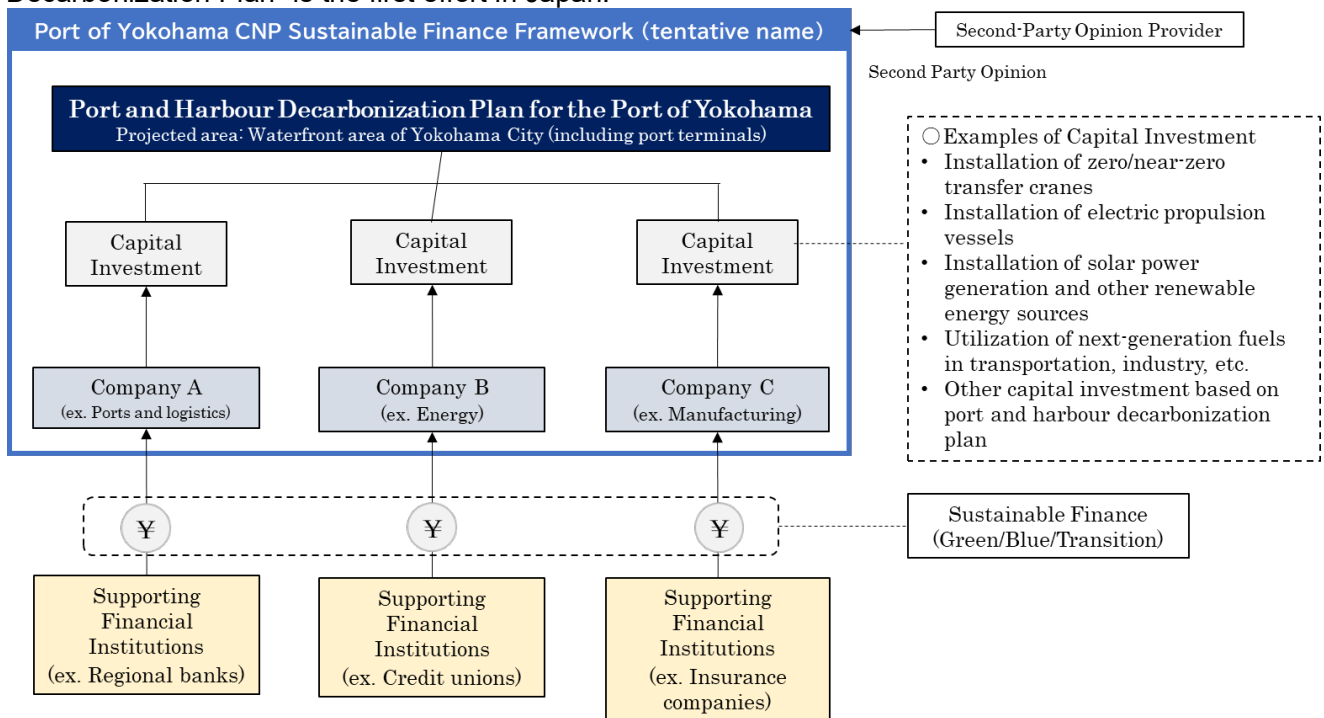
1. Details of the MOU

- (1) Consideration of a financial framework utilizing sustainable finance etc. to promote efforts toward the formation of the CNP at the Port of Yokohama
- (2) Study on the establishment, implementation, administration, etc. of a sustainable finance framework based on the “Port and Harbour Decarbonization Plan for the Port of Yokohama” to be established by the City of Yokohama
- (3) Collaboration and cooperation with public and private sector parties related to the financial framework

2. The sustainable finance framework to be considered

A comprehensive framework that enables companies to access sustainable finance for capital investment based on the “Port and Harbour Decarbonization Plan for the Port of Yokohama” to be announced by the City of Yokohama is tentatively named the “Port of Yokohama CNP Sustainable Finance Framework”.

By providing this financial framework together with other financial institutions, that support this concept, particularly regional financial institutions, we aim to contribute to the decarbonization efforts in the waterfront area of Yokohama. The study of a financial framework based on the “Port and Harbour Decarbonization Plan” is the first effort in Japan.



〈scheme diagram〉

3. What is Sustainable Finance

Sustainable finance refers to finance that encourages a transformation to new industrial and social structures to realize a sustainable society.

The financial framework to be studied this time will cover green finance, blue finance, and transition finance among sustainable finance.

- (1) Green finance: Finance for projects that contribute to solving or mitigating environmental problems.
- (2) Blue finance: A type of green finance, especially for projects that contribute to the preservation of the marine environment.
- (3) Transition finance: Finance for companies that are engaged in long-term strategies to steadily reduce GHG emissions in order to realize a decarbonized society, with the transition activities as the use of the proceeds.

4. What is “Port and Harbour Decarbonization Plan”

In order to fully utilize the next-generation energy needed to decarbonize the transportation and industrial sectors in Japan, it is essential to establish and promote the use of supply chains in ports, where industries are concentrated and serve as hubs for maritime logistics. Therefore, it is necessary to establish a mechanism to promote CNP initiatives in cooperation with industries clustered in the waterfront area and with the cooperation of public and private sectors in ports.

Accordingly, in 2022, the Ministry of Land, Infrastructure, Transport and Tourism revised the Port and Harbor Act and established a system that allows port management body (local government) to create a “Port and Harbour Decarbonization Plan” that stipulates public-private partnership efforts (*) to decarbonize ports and harbors.

(*) Basic policy, CO2 emission reduction targets, initiatives for CO2 reduction and next-generation energy supply, planning period and roadmap, purpose of land use, etc.

5. About Mizuho Bank, Ltd.

Company name: Mizuho Bank, Ltd.

President & CEO: Katsuhiko KATO

URL: <https://www.mizuhogroup.com/bank>

< Comments from Mizuho Bank, Ltd. >

Mizuho Bank, Ltd. believes that the role of ports as global energy supply hubs and logistics nodes will become increasingly important as we move toward a decarbonized society, and that renewal and innovation of port infrastructure is essential for strengthening Japan's competitiveness.

Through this study, we will take on the challenge of realizing a decarbonized society in the port sector and, ultimately, in Japan by promoting industry-government-finance collaboration to decarbonize ports, and strengthening our ability to provide financing as a financial institution.

Contact
Hitoshi NAKAMURA, Director for Carbon Neutral Port Promotion, Port and Harbor Bureau, E-mail: kw-seisaku@city.yokohama.jp