



JETRO TORONTO

Newsletter

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Executive Director's Message



Hitoshi Oishi
Executive Director
JETRO Toronto

Many foreign companies have entered Japan to take advantage of its lucrative Feed-In-Tariff (FIT) market.

The majority of projects have been in solar to

the point that Japan has become one of the largest solar PV markets in the world.

Initially part of Japan's efforts to promote renewable technologies, Japan's FIT took on much greater significance after the 2011 Tohoku earthquake led to the long-term shut-down of most of Japan's nuclear power stations. Suddenly, Japan had to import much higher levels of gas and petroleum at huge cost.

Japan's share of renewable energy is expected to increase to 25-35% in 2030, up from 11% in 2012. To achieve this, many mega-solar power projects have been launched and companies and local governments have been setting up on-site renewable energy projects as back-up for when the grid shuts down.

In this issue, we will focus on a number of foreign solar companies JETRO has assisted in entering Japan, including Toronto-based Solar Power Network (SPN). We will be holding a seminar in Toronto on February 19 to explain Japan's FIT market and to showcase SPN's growing business in Japan.

We also look forward to bringing a mission of Japanese companies in March to exhibit in a JETRO-organized Japan pavilion at the bi-annual GLOBE show for business and the environment in Vancouver.

Solar Power Network finds niche in Japan's solar market

Toronto rooftop solar developer takes advantage of Japan's Feed-In-Tariff market and looks forward to strong growth

In the Fall of 2012, Solar Power Network (SPN) made the bold decision to tackle the Japanese market. They worked fast. One year later, despite being completely new entrants to the market, they had already found a key Japanese partner and landed several important customers. Now they are shifting staff and resources to Japan and are aiming for rapid growth.

Japan's Feed-In-Tariff (FIT) was a major incentive for SPN to target Japan as its first international solar market. Also important was the niche that SPN specializes in, that is rooftop solar for industrial, institutional and commercial buildings.

The 'Distributed' or 'on-site' solar generation model is extremely important for Japan in their efforts to increase their share of renewable energy consumption. Mega-solar projects are located in rural areas, far away from the cities where the energy is needed. The solution is to generate the electricity where it is being used.

SPN set up an office in Tokyo in 2013 and announced its first project in November.

SPN will be telling their story at a seminar at JETRO Toronto on February 19, 2013.
(see page 2 for details)



Inside this issue....

Foreign Investors in Japan's FIT Solar Market

New FIT Market Report

Global Trade and Investment Report

Survey of Japanese Companies in Canada

New Invest Japan Hotline

JETRO Publishes New Renewable Energy Market Report

JETRO has just published a new market report entitled *Renewable Energy/Secondary Battery*, in its series on Attractive Sectors.

The report looks at the solar, wind and lithium-ion battery markets and explains how the Japanese government is advancing a number of initiatives to bolster renewable energy and secondary battery markets through programmes such as Japan's Feed-In-Tariff (FIT) which took effect in July 2012. The report can be downloaded at the link below.

For more information:

www.jetro.go.jp/en/invest/attract/pdf/e_renewable.pdf

Reports and Surveys

JETRO's Global Trade & Investment Report

JETRO has released its 2013 JETRO Global Trade and Investment Report - Revitalizing Japan through global business.

For more information:

www.jetro.go.jp/en/news/releases/20130808148-news
www.jetro.go.jp/en/reports/white_paper/

Survey of Japanese Companies in US and Canada

In Sept.-Oct., 2013, JETRO conducted its latest survey on Japanese-affiliated firms in the US & Canada focussing on status of operations, future business outlook and responses to changing business environment. Results are summarized at the link below.

For more information:

www.jetro.go.jp/en/news/releases/20131121140-news

Events & Programmes

Japan FIT Seminar

JETRO is holding a seminar on Japan's Feed-in-Tariff (FIT) Market on Feb. 19 (12:00-1:30pm) at JETRO Toronto featuring presentations on Japan's FIT Market, Canadian success story Solar Power Network (SPN) and Japan's Solar Power Market Outlook.

For more information:

www.jetro.go.jp/canada/events/current/

Success Stories

Japan's Feed-In-Tariff (FIT) market has attracted many foreign companies to enter into Japan, especially in the solar sector. All three companies utilized JETRO's free temporary office space and other services:

juwi Holdings

In January 2013, German-based juwi Holdings AG, a leading EPC (Engineering, Procurement and Construction) firm, established a joint venture with Japanese firm Shizen Energy called juwi Shizen Energy Inc. located in Tokyo. juwi was already considering to enter the Japanese market and the announcement of Japan's FIT programme became a deciding factor. Under FIT, operators are guaranteed that the electricity generated by renewable energy will be purchased at a fixed price over a long term, considerably reducing the risk of entering the business. Two mega solar power plants constructed by juwi commenced operations and electric transmissions in Kumamoto in Dec.2012 and in March 2013, respectively, and more projects are underway in various regions in Japan.

For more information:

www.jetro.go.jp/en/invest/success_stories/pdf/juwishizen.pdf

First Solar

US-based First Solar is a leader in the manufacturing of solar panels and development, construction, and operation of solar power plants. In Aug. 2013, it established a base in Japan to support the supply of renewable energy to replenish the loss from non-operating nuclear power plants and, in Nov. 2013, it decided to invest ¥10b in Japan for the development of solar power plants.

For more information:

www.jetro.go.jp/en/invest/newsroom/businesses/2014/20140115506.html

Ciel de Terre

Ciel et Terre of France has developed a patented floating solar photovoltaic systems for use on existing bodies of water, such as reservoirs, lakes, canals, and ponds. In June 2013, it established a subsidiary in Tokyo in order to try and take advantage of a solar market where land is at a premium. It also provided related equipment and technological assistance for Japan's first floating mega solar PV system in Saitama Prefecture.

For more information:

www.jetro.go.jp/en/invest/newsroom/businesses/2013/20131226875.html

Japan Pavilion at GLOBE

JETRO is organizing the Japan pavilion at GLOBE 2014 in Vancouver (March 26-28). A number of Japanese environmental and cleantech companies will be exhibiting and JETRO will be facilitating business meetings with Canadian companies during the show.

For more information:

www.jetro.go.jp/canada/events/globe2014.html

Quebec Animation Return Mission Headed to Nerima

As part of its Regional Industry Tie-up (RIT) Programme, JETRO is organizing a return mission of Quebec animation companies to the Nerima Ward of Tokyo on March 22-25, 2014. Business meetings will be arranged at the Anime Japan 2014 trade fair (March 22-23).

For more information:

www.jetro.go.jp/canada/progs/current/

JETRO Services

New: Invest Japan Hotline

JETRO will provide consultation and accept regulatory reform requests from foreign companies regarding investing in Japan. JETRO will arrange meetings with officials of regulatory agencies if needed and relay requests for regulatory reforms to the Japanese government.

For more information:

www.jetro.go.jp/en/invest/newsroom/announcements/2013/20131128921.html

JETRO Canada

JETRO Toronto

181 University Ave, Ste. 1600
Toronto, ON M5H 3M7
Phone: (416) 861-0000
E-mail: Inquiry@jetro.go.jp

JETRO Vancouver

Granville Square
2760 – 200 Granville Street
Vancouver, BC, V6C 1S4
Phone: (604) 684-4174
E-mail: office@JetroVancouver.org

www.jetro.go.jp/canada/

Seminar for Japanese Firms

In conjunction with Davis LLP, JETRO held a seminar for Japanese companies in Calgary (Hyatt Regency Calgary, 3rd Fl., Nelson Rm.) on February 4 (9:00-11:20 am). It covered Alberta labour and employment law as well as the Investment Canada Act and new rules for investing in Canada. (In Japanese with some English.)

For more information:

www.jetro.go.jp/canada/events/current/