

# JCM project development process in Indonesia

Keni Atika

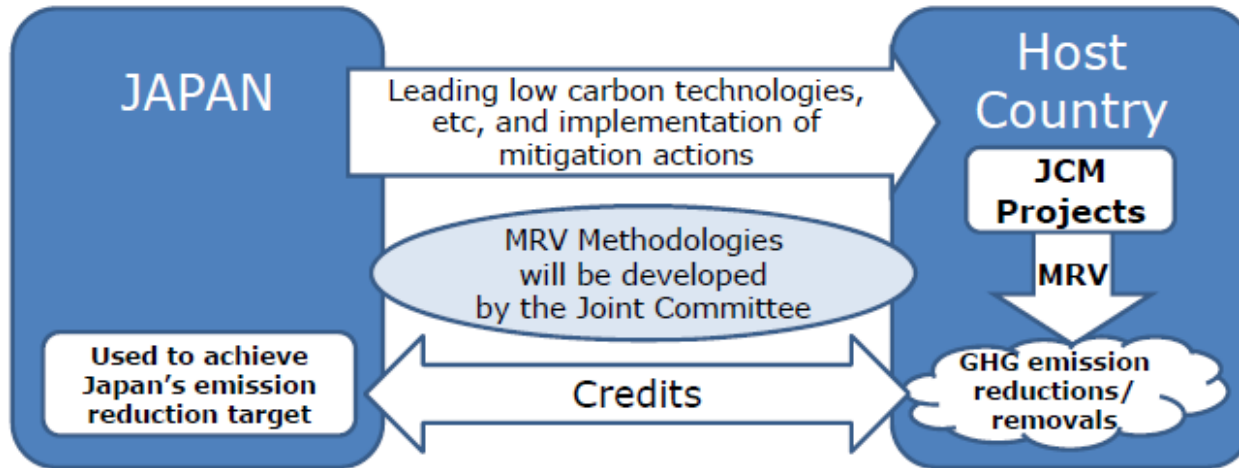
Indonesia JCM Secretariat



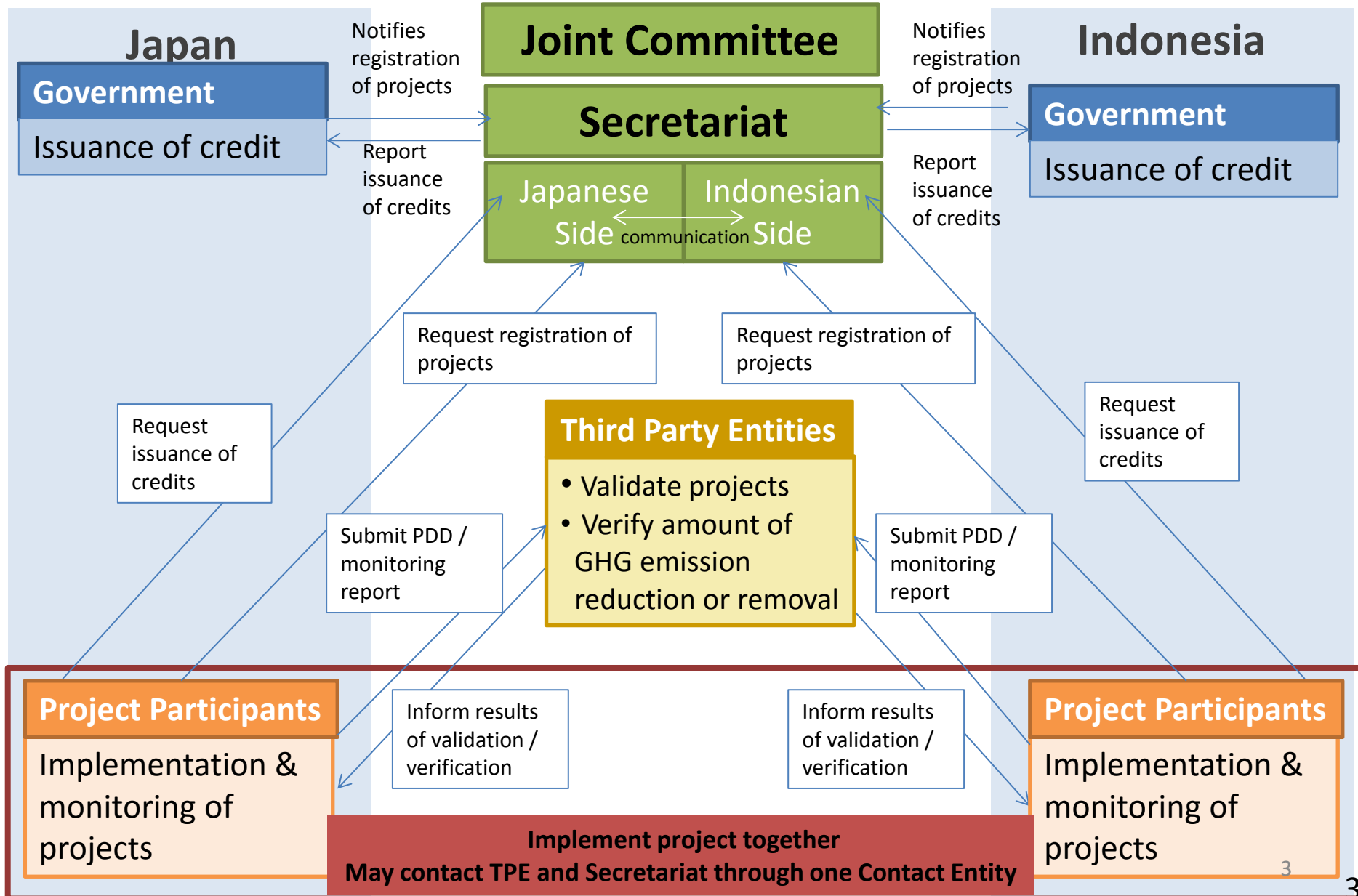
Coordinating Ministry  
for Economic Affairs  
Republic of Indonesia



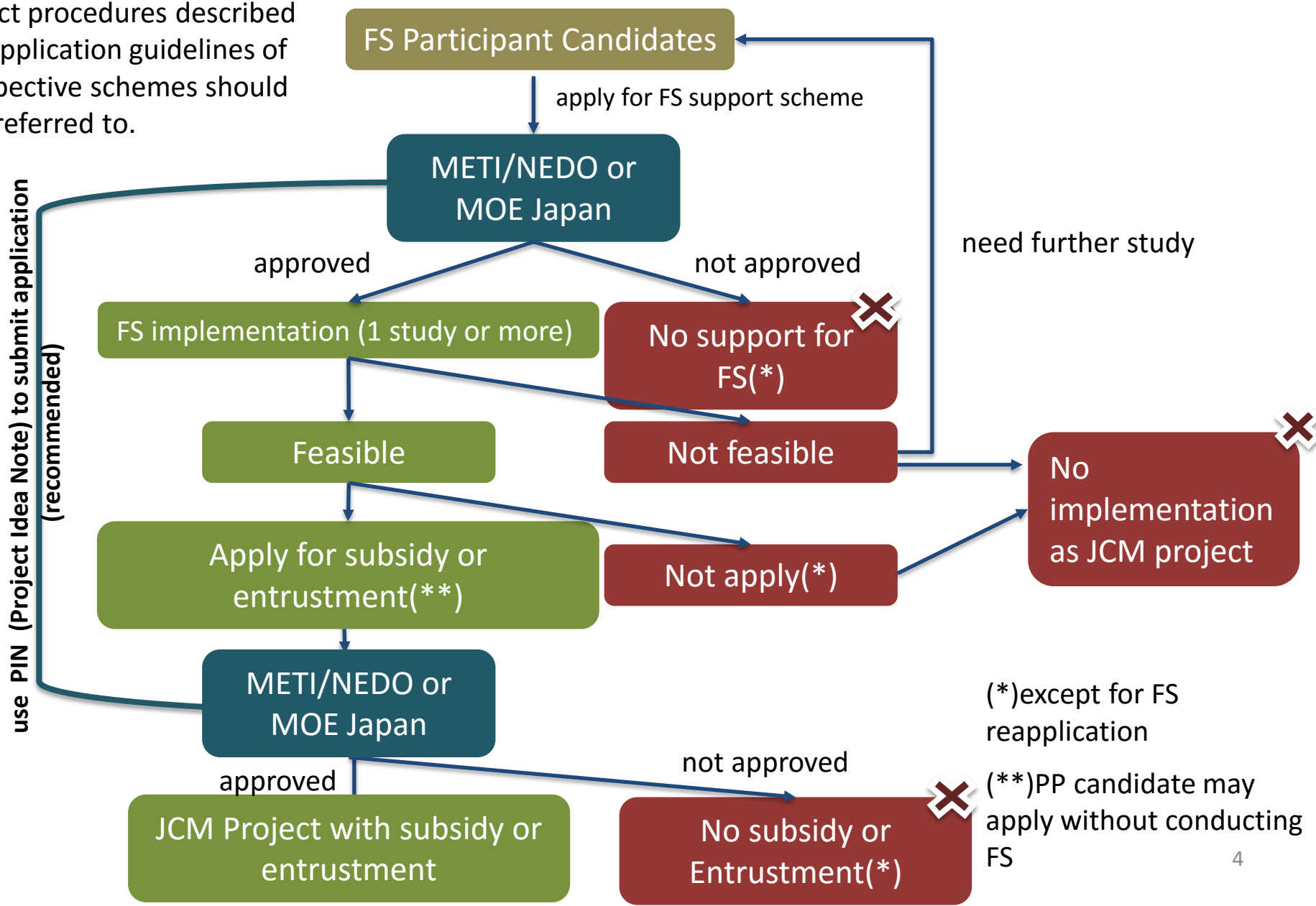
# Basic concept of the JCM



- **The Joint Crediting Mechanism** as a G-to-G scheme which encourages private sector organizations to invest in Low Carbon Development activities in Indonesia through incentive from the Government of Japan.
- **JCM cooperation is not only conducted by Japan and Indonesia, but also with other 16 developing countries.**
- **Bilateral Cooperation on the Joint Crediting Mechanism for the Low Carbon Growth Partnership between the Republic of Indonesia and Japan has been signed** by the Coordinating Minister for Economic Affairs of Indonesia and Minister for Foreign Affairs of Japan.
- **Objectives of the JCM:**
  1. Facilitate diffusion of leading low carbon technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions, and contributing to sustainable development of developing countries.
  2. Evaluate contributions to GHG emission reductions/removals from developed countries in a quantitative manner, through mitigation actions implemented in developing countries and use those emission reductions or removals to achieve emission reduction targets of the developed countries.
  3. Contribute to the ultimate objective of the UNFCCC by facilitating global actions for emission reductions or removals.



Exact procedures described in application guidelines of respective schemes should be referred to.



Since JCM bilateral agreement in 2013, several guidelines, procedure, rules, registry system and methodologies have been developed

**Guideline:**

1. Project Design Document
2. Proposed Methodology
3. Third Party Entity
4. Validation and Verification
5. Sustainable Development Implementation Plan and Report

**Rules:** 1. Rules of Implementation  
2. Rules of Procedure for JC

**Procedure:** Project Cycle Procedure

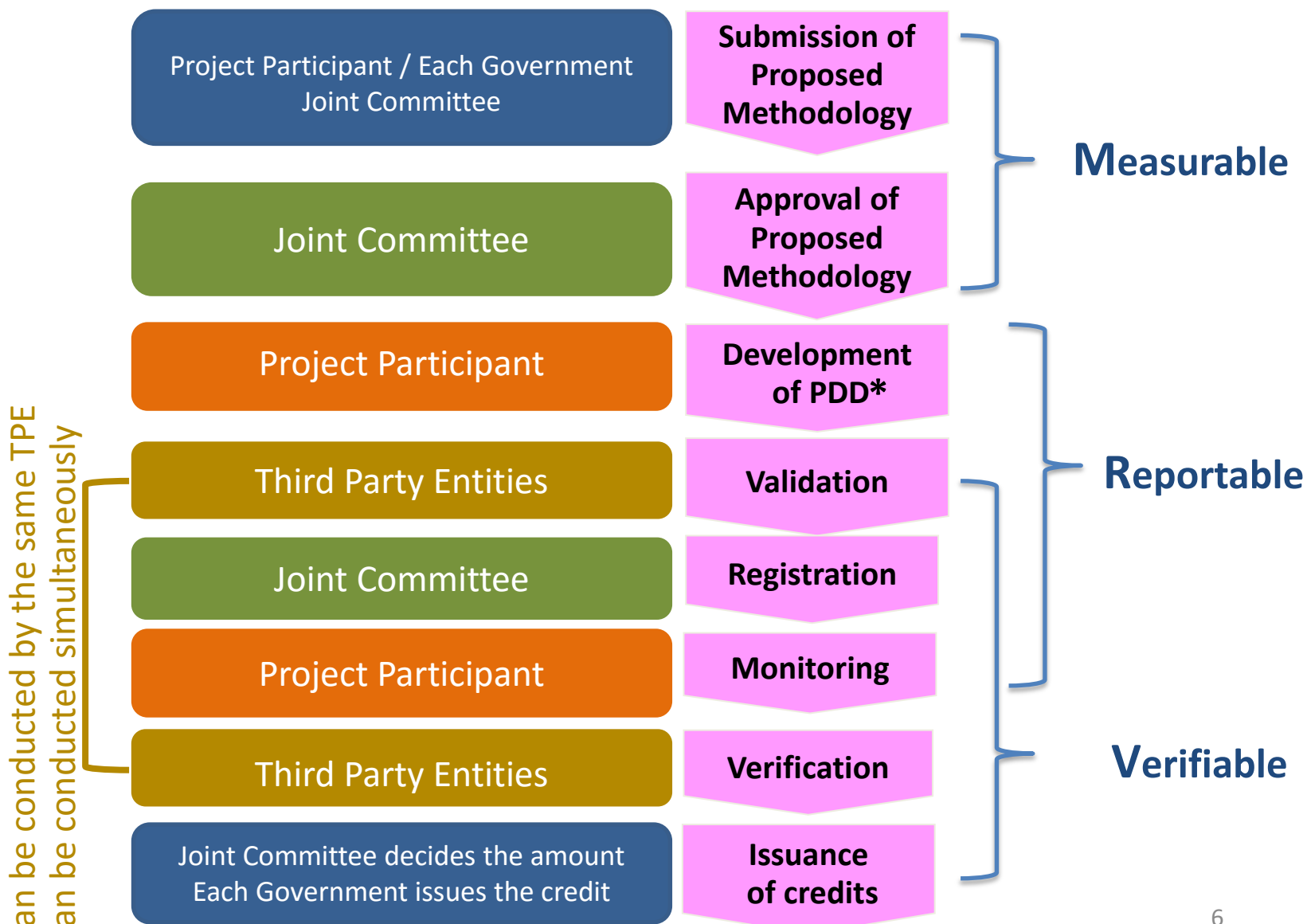
**Methodologies:**  
10 methodologies in energy conservation sectors have been developed

ISO 14065 based

**Registry system:**

We have developed the first climate change mitigation registry system in Indonesia, and it is expected to connect with the National Registry

# Steps in the JCM



# JCM Project In Practice :

## Start of Project

Start of project (i.e design, procurement, etc)

Technology Implementation & Registration

Verification by TPE

Credit issuance

Submission & validation of PDD

Secretariat may: *“Monitor the development of JCM related programs and implementation of JCM projects, taking into account sustainable development criteria and environmental integrity.”*

(JCM Rule of Implementation Para 14 point (a) article (iii))

### Through:

- **Meetings**

- The Embassy of Japan and Indonesia JCM Secretariat will arrange individual meeting with project participants from both sides.
- The schedule will be arranged in accordance with Japanese participant's visiting schedule.

- **JCM Secretariat involvement (if needed)**

- If requested, or when obstacles occur (such as location finding or related to government systems, the Secretariat should be informed).

# JCM Project in Practice: Submission of PDD



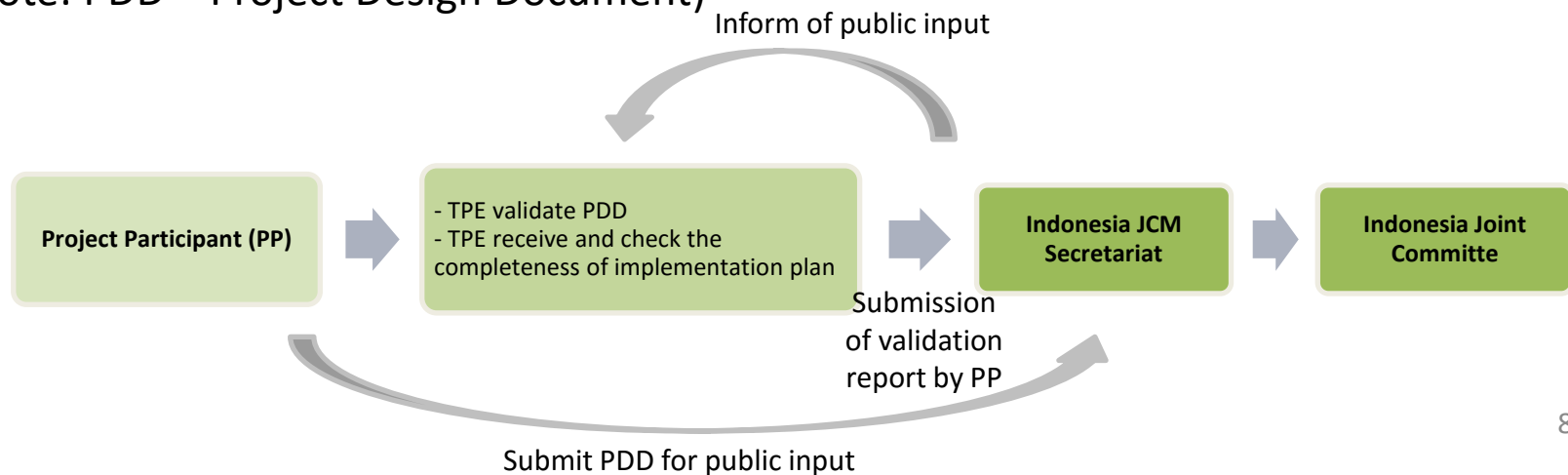
## Submission & Validation of PDD

### • Project Validation

Project participants: *“Prepare a draft PDD and submit the draft to a third-party entity for validation and notify the Joint Committee through the JCM secretariat”*

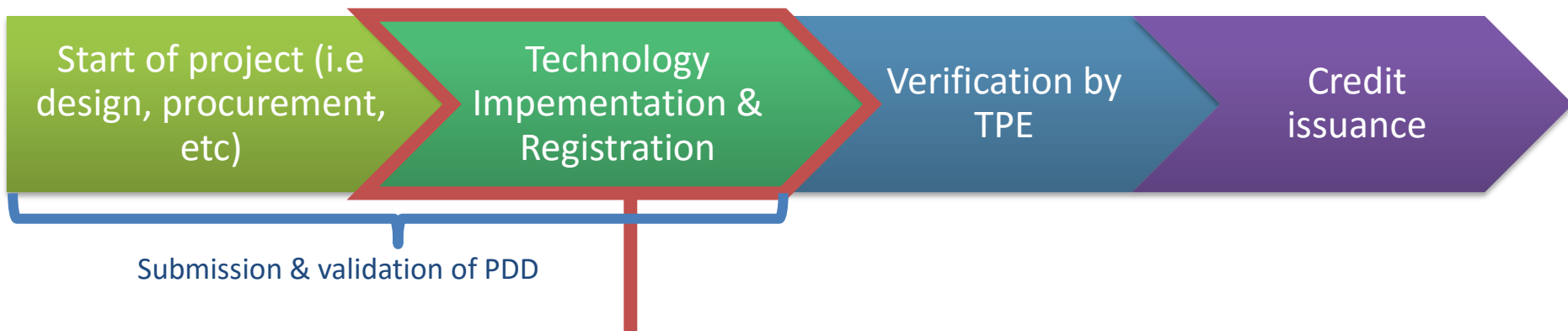
(JCM Rule of Implementation Para 19 Point (b))

(note: PDD = Project Design Document)





# JCM Project in Practice: Technology Implementation

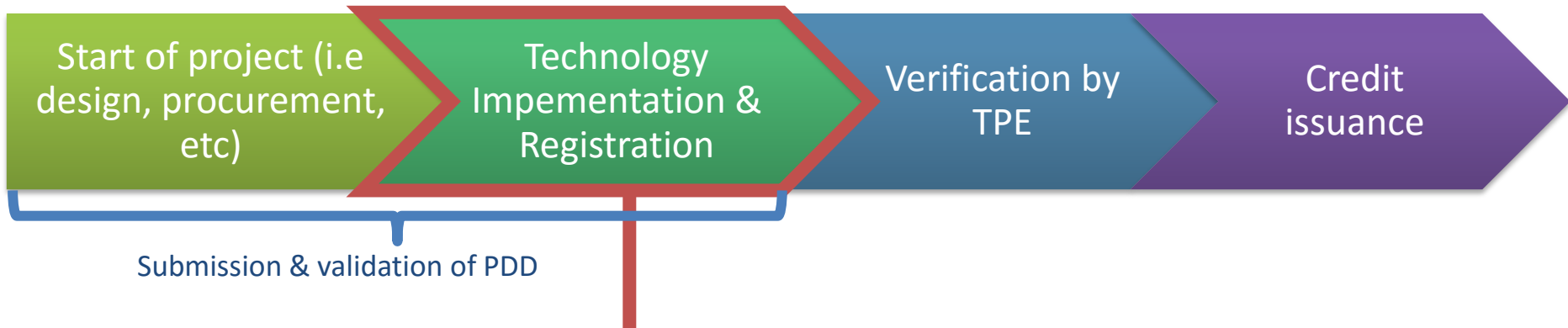


- **Site visit after project operation**

*“Monitor the development of JCM related programs and implementation of JCM projects, taking into account sustainable development criteria and environmental integrity.” (JCM Rule of Implementation Para 14 point (a) article (iii))*

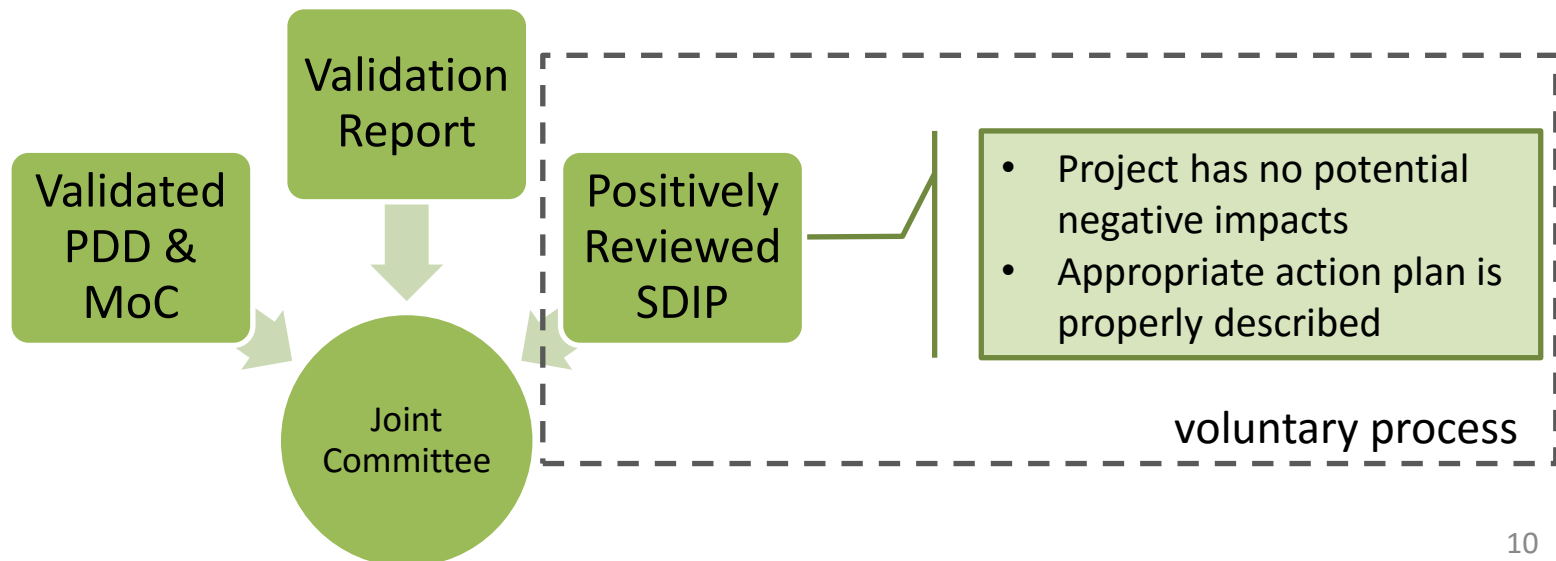
- At least one site visit by the Indonesia JCM Secretariat (if possible, also by the Japanese side).
- The purpose of site visit is to receive feedbacks from the Indonesian side and to witness and confirm the technology implementation.
- If needed, more site visit may be conducted (as agreed by project participant(s) and government side)

# JCM Project in Practice: Technology Implementation



## • Registration

a project is fully acknowledged as a JCM project once it is being registered



Start of project (i.e design, procurement, etc)

Technology Implementation & Registration

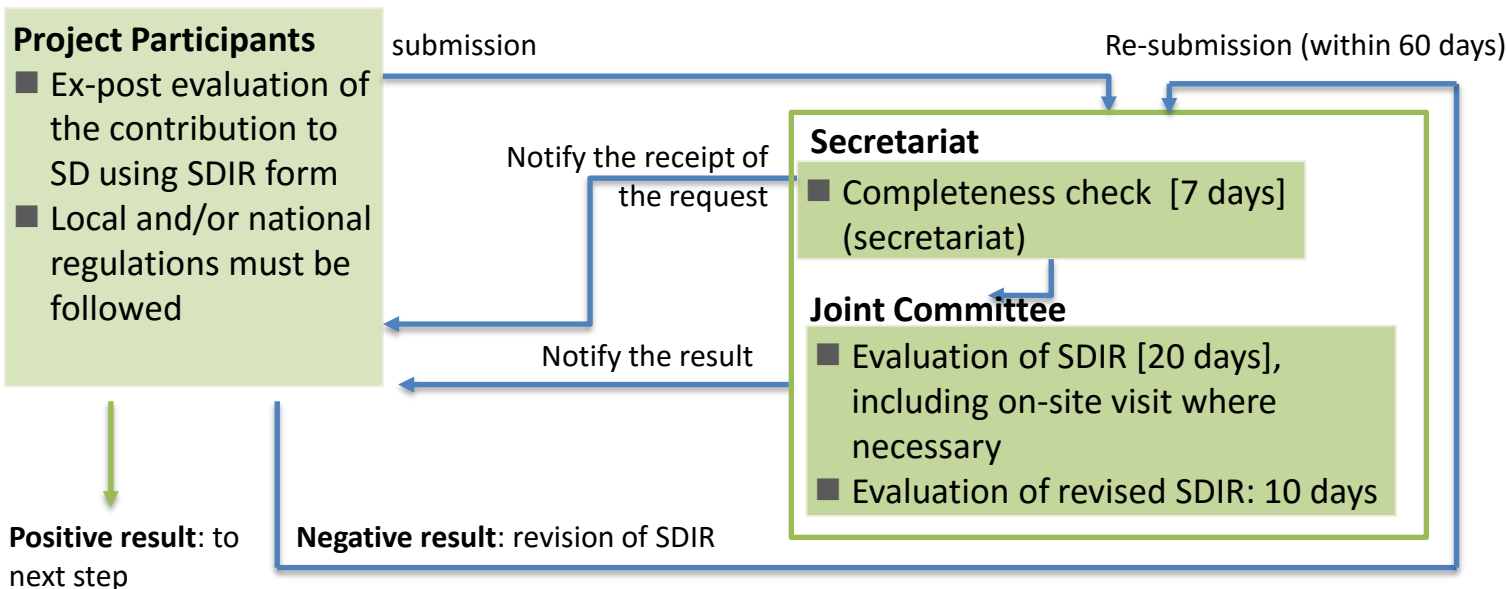
Verification by TPE

Credit issuance

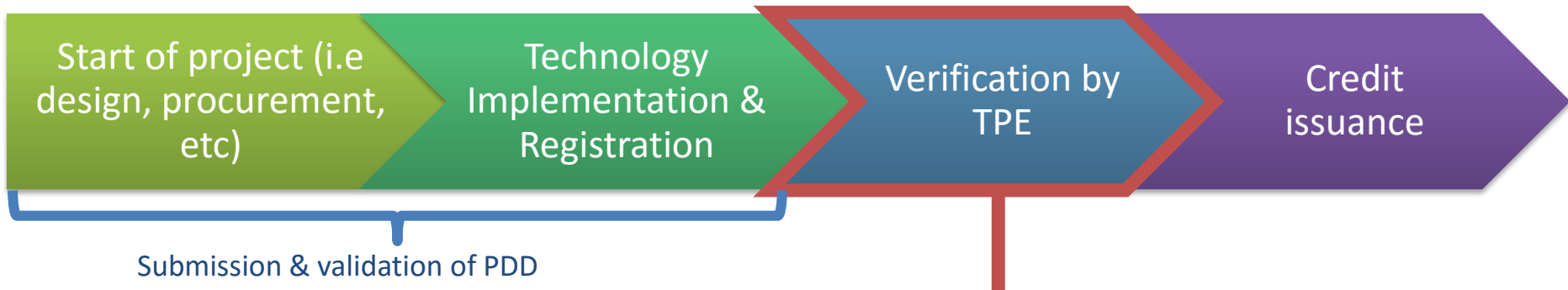
Submission & validation of PDD

## • Sustainable Development Implementation Report (SDIR)

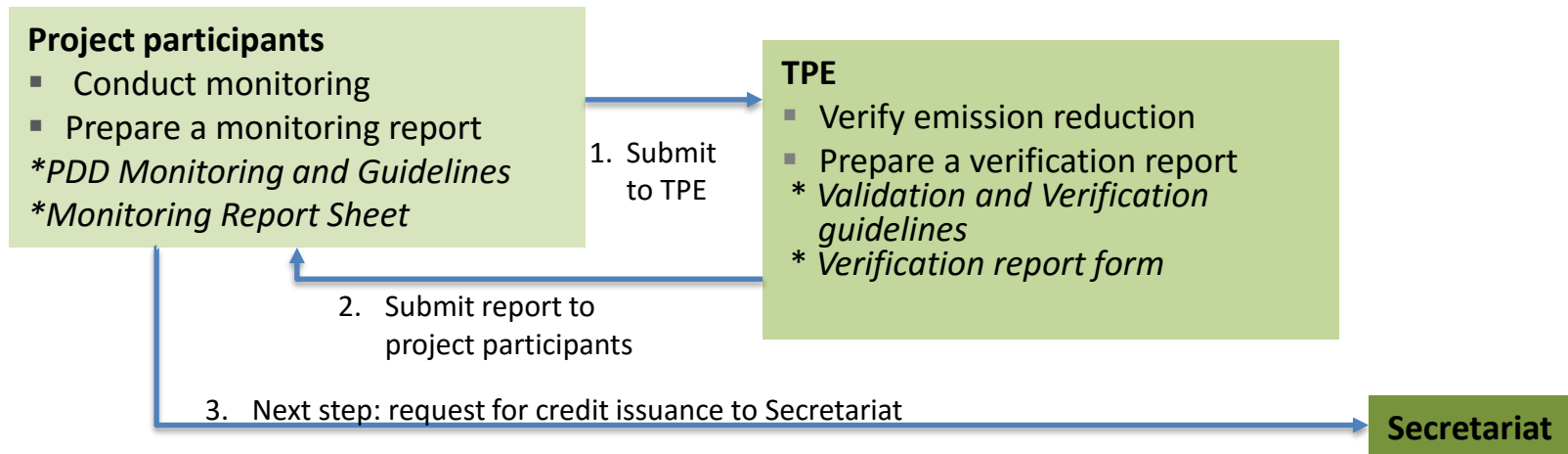
- Submission of SDIR is currently a voluntary process, but it will be part of JCM Rules of Implementation in the future
- Positive result of SDIR: No negative impacts or appropriate description on the corrective action



# JCM Project in Practice: Verification by TPE



## JCM Rule of Implementation Para 31 to 33



*"The TPE describes all documentation supporting verification and makes such documentation available to the Joint Committee upon request." (JCM Guidelines for Verification and Validation Para 128)*

- All of data obtained by TPE which support verification process may be shared to Joint Committee

Start of project (i.e design, procurement, etc)

Technology Implementation & Registration

Verification by TPE

Credit issuance

Submission & validation of PDD

## • Request issuance of credits

*“On the basis of a request for notification to each side for issuance of credits submitted by project participants, the Joint Committee notifies both sides to issue the credits which were verified by the third-party entities.” (JCM Rule of Implementation Para 10)*

### Project Participants

- Determine allocation of credits
- Complete a credit issuance request form
- \* Credit issuance request form

Request for notification for issuance

Notify the receipt of the request

Notify the result

### Secretariat

- Completeness check [7 days] (secretariat)

### Joint Committee

- Decision on notification of amount of credits to be issued

Notify the amount of credits to be issued

### Government

- Issuance of credits

Notify the issuance

- TPE are selected by the project participants to validate and/or verify their PDD and/or emission reductions.
- Requirements/Eligibility:
  - Candidate entities are either:
    - (a) Accredited under ISO 14065; or
    - (b) Designated Operational Entities (DOEs) under the UNFCCC CDM
  - Candidate entities have sufficient knowledge of the JCM between the Republic of Indonesia and Japan by reading and knowing all applicable rules and guidelines of the JCM.
- Eligible entities can apply as TPE for JCM in each host country separately
  - Candidate entity submit application form and related document stated in Guideline for TPE to JCM Secretariat of Japan and Indonesia ([id-jc-secretariat@jcm.go.jp](mailto:id-jc-secretariat@jcm.go.jp) and [secretariat@jcmindonesia.com](mailto:secretariat@jcmindonesia.com) )

# List of TPE in Indonesia

TPE	JCM Sectoral Scope (for Validation and Verification)	Accreditation	
		ISO 14065	CDM DOE
Lloyd's Register Quality Assurance Limited (LRQA)	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13	Yes	Yes
Japan Quality Assurance Organization (JQA)	1, 3, 4, 5, 9, 10, 13, 14	Yes	Yes
Japan Management Association (JMA)	1, 2, 3, 4, 6, 8, 9, 14	Yes	Yes
TÜV SÜD South Asia Private Limited (TÜV SÜD)	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15	No	Yes
Deloitte Tohmatsu Evaluation and Certification Organization Co., Ltd.	1, 2, 3, 4, 5, 8, 10, 12, 13, 15	No	Yes
TÜV Rheinland (China) Ltd.	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15	No	Yes
EPIC Sustainability Services Private Limited (India)	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15	No	Yes
KBS Certification Services Pvt. Ltd. (India)	1, 3, 4, 5, 6, 7, 9, 10, 11, 13, 15	No	Yes
PT Mutu Agung Lestari	1, 2, 3, 14, 15 Provisionally designated: 4, 13	Yes	No
ERM Certification and Verification Services Ltd	1, 2, 3, 4, 5, 8, 9, 10, 13, 15	No	Yes

## Sectoral Scope

- Energy Industries (renewable/non-renewable sources);
- Energy Distribution;
- Energy Demand;
- Manufacture Industries;
- Chemical Industries;
- Construction;
- Transport;
- Mining/Mineral Production;
- Metal Production;
- Fugitive emissions from fuel (solid, oil and gas);
- Fugitive emissions from production and consumption of halocarbons and sulfur hexafluoride;
- Solvent Use
- Waste handling and disposal
- Reducing emissions from Deforestation and Forest Degradation in developing countries; and the role of conservation, sustainable management of forest and forest carbon stocks in developing countries (REDD-plus),
- Agriculture.



Coordinating Ministry  
for Economic Affairs  
Republic of Indonesia



# Thank you! Terima kasih!

Our website: <http://jcm.ekon.go.id>

Contact us at [secretariat@jcmindonesia.com](mailto:secretariat@jcmindonesia.com)

Sekretariat JCM Indonesia

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