

# JCM Support Programmes in Indonesia by the Japanese government

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21 MAY 2015

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# Overview of the support programmes by the Japanese government

## Finance support

- Financing Programme for JCM Model Projects
- Support Program Enabling “Leapfrog” Development
  - ✓ Financial support for expansion of low-carbon technologies
  - ✓ ADB Trust Fund
- JCM demonstration Projects
- JCM Special Financing Scheme(JSF)

## Feasibility studies

- JCM Project Planning Study(PS)
- JCM Feasibility Study(FS)
- Large Scale JCM Feasibility Study

## Technical support

## Capacity building

## Outreach

# Financing Programme for JCM Model Projects By Ministry of Environment (MOE)

*The draft budget for FY 2015  
2.4 billion JPY (approx. USD24  
million) per year by FY2017  
(total 7.2 billion JPY)*

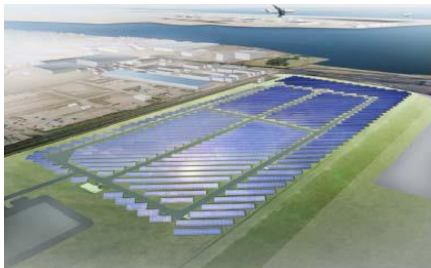
※Budget will be fixed after approval by the Parliament

Finance part of an investment cost  
(up to the half)

Government of Japan

Conduct MRV and expected to deliver at least half of JCM credits issued

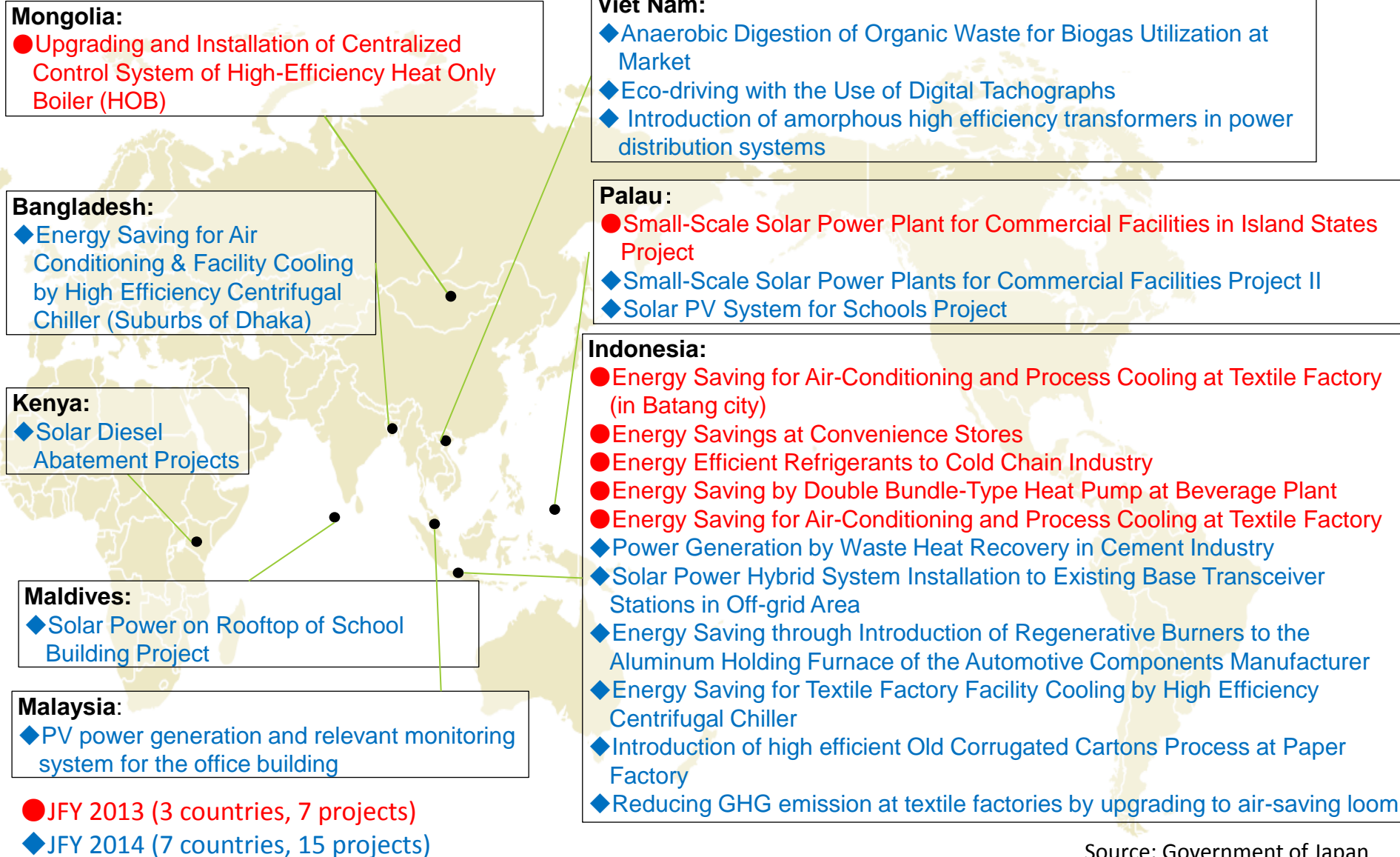
International consortiums  
(which include Japanese entities)



- Scope of the financing: facilities, equipment, vehicles, etc. which reduce CO<sub>2</sub> from fossil fuel combustion as well as construction cost for installing those facilities, etc.
- Eligible Projects : starting installation after the adoption of the financing and finishing installation within three years.

Source: Government of Japan

# JCM Model Projects in 2013 and 2014 by MOE



Source: Government of Japan

## 2. Support Program Enabling “Leapfrog” Development by MOE

### Financial support for expansion of low-carbon technologies

#### Draft Budget for FY 2015(Budget for FY2014)

1.8 billion JPY (approx. USD18 million) per year by FY2018  
(total 7.2 billion JPY) (4.2 billion JPY)

#### Scheme

To finance the projects which have the better efficiency of reducing GHG emission in collaboration with other projects supported by JICA and other governmental-affiliated financial institute.

#### Purpose

To expand superior and advanced low-carbon technologies for building the low carbon society as the whole city wise and area wise in the wider fields, and to acquire credits by the JCM.

### ADB Trust Fund

#### Draft Budget for FY 2015(Budget for FY2014)

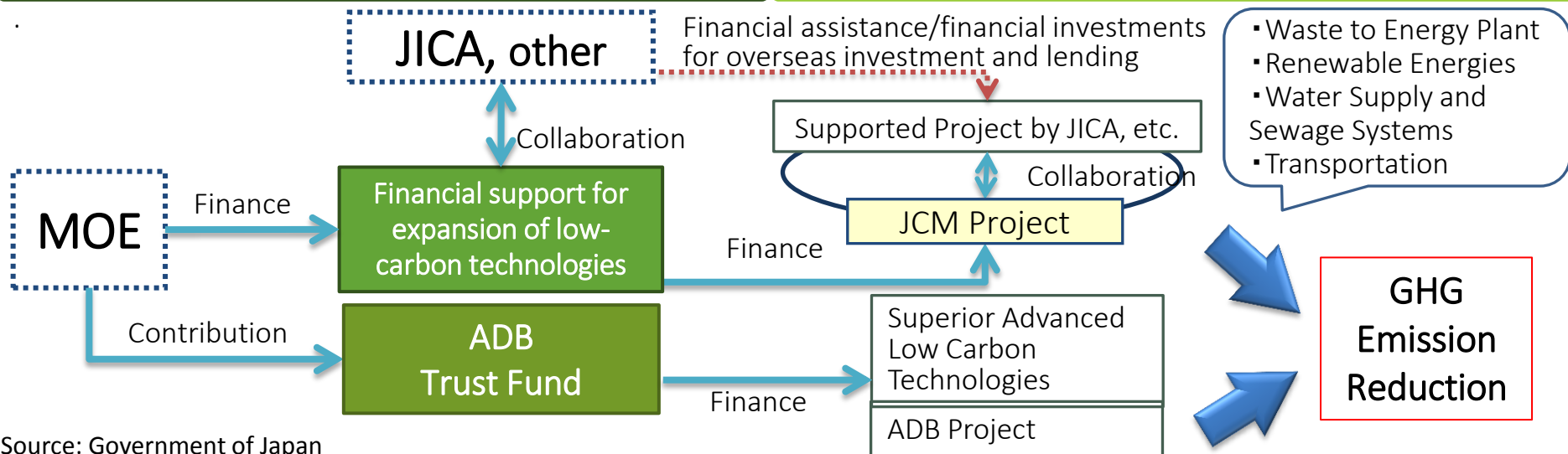
1.8 billion JPY (approx. USD18 million)(1.8 billion JPY)

#### Scheme

To provide the financial incentives for the adoption of the advanced low-carbon technologies which are superior in GHG emission reduction but expensive in ADB- financed projects.

#### Purpose

To develop ADB projects as the “Leapfrog” developments by the advanced technologies and to show the effectiveness of the JCM scheme by the acquisition of credits of the JCM.



Source: Government of Japan

# JCM Demonstration Projects

## by Ministry of Economic Trading and Industries (METI)

### JCM Demonstration Projects

- JCM Demonstration Projects are implemented by NEDO (New Energy and Industrial Technology Development Organization), which supports the project costs necessary to verify the amount of GHG emission reduction in line with JCM rules and guidelines.
- The budget for FY 2015: 3billion JPY (approximately \$30million) ※
- Coverage of project cost: Cost of the JCM Demonstration Projects necessary for MRV  
e.g. Cost of design, machines, materials, labor, travel, etc.
- Eligibility for the JCM Demonstration Projects:
  - Concrete Projects to demonstrate the effectiveness of leading Japanese technologies and/or products installed and operated in the projects, and the amount of their GHG emission reduction with MRV methodology by actual operation
  - Project Participants consist of entities from both countries, only the Japanese entities can apply for the JCM Demonstration projects. The projects shall be completed within 3 years.

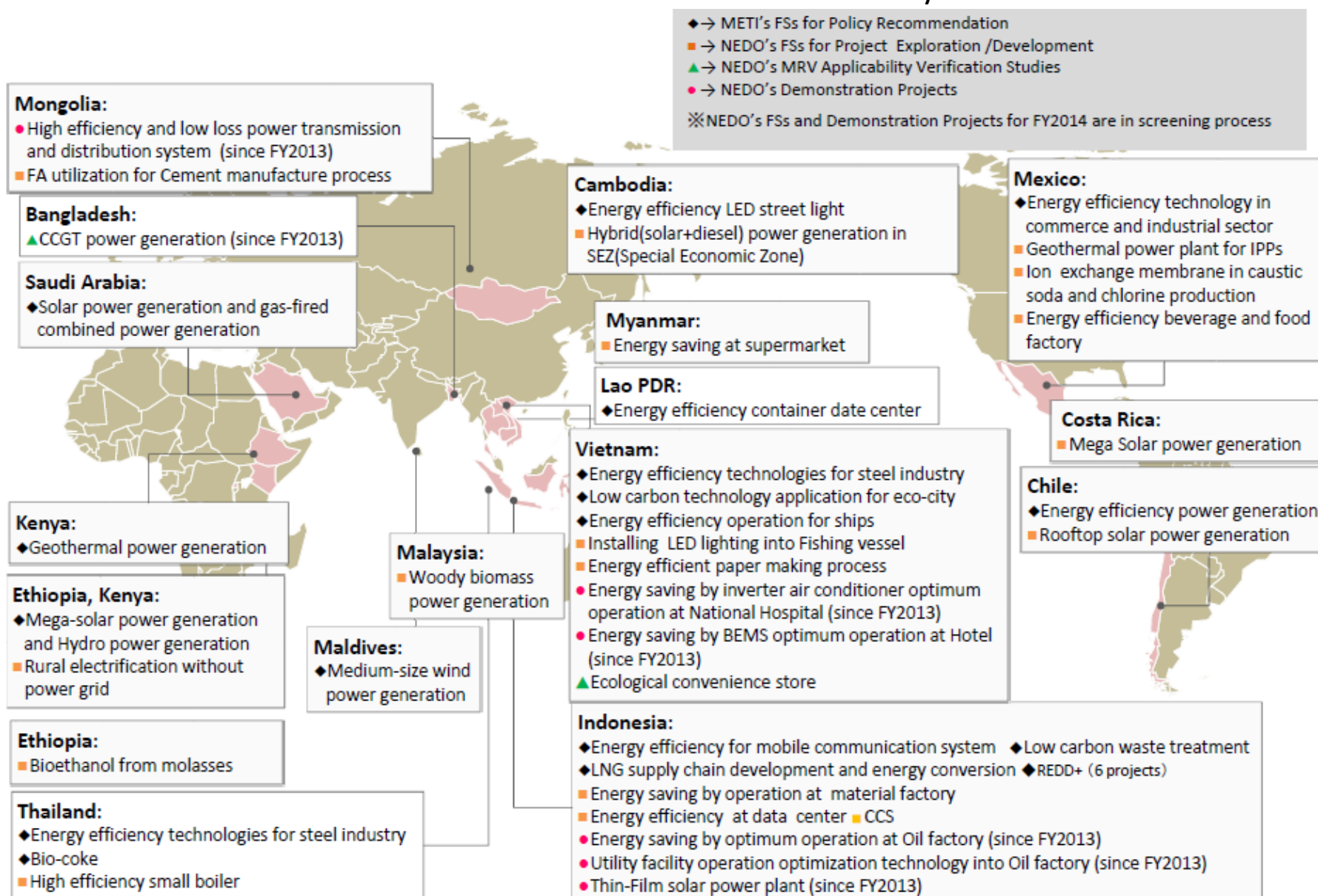
### JCM Feasibility Study (FS)

The study to promote potential JCM projects and to survey their feasibility as well as to check the practicality of the MRV methodology.

### Capacity Building Programmes

Variety of capacity building activities to increase technical experts

# JCM Feasibility Studies, MRV Applicability Verification Studies and Demonstration Projects by METI & NEDO in FY2014





# JCM Special Financing Scheme(JSF)

## **JBIC (Japan Bank for International Cooperation)**

- Overseas Investment Loans : Case for Japanese company investing to the projects
- Export Loans : Case for Japanese company exporting products or service
- United loans: Case of projects without Japanese company

Source: JBIC website

## **NEXI (Nippon Export and Investment Insurance)**

Covering insurance rate of country risk for JCM projects in which Japanese companies involve or export products: 100%

Source: NEXI website



# Technical support by MOE

- Methodology development
- Making PDD for a project registration
- Making a monitoring report for credit issuance (only first time)
- Validation and Verification by The Third Party Entity (TPE)

This support service is applicable for project participants using Financing Programme for JCM Model Projects, Financial support for expansion of low-carbon technologies and ADB trust fund

# Capacity Building Programmes & Feasibility Studies by MOE

## Capacity Building Programmes

### Region

Asia, Africa, Latin America, and Small Island countries

### Scope

Facilitating understanding on the JCM rules and guidelines, enhancing capacities for implementing MRV

### Activities

Consultations, workshops, seminars, training courses and study tours, etc.

### Target

Government officials, private sectors, candidate for validation & verification entities, local institutes and NGOs



## Feasibility Studies

### Objective

Elaborating investment plan on JCM projects, developing MRV methodologies and investigating feasibility on potential JCM projects,

### Type of studies

#### JCM Project Planning Study (PS)

To develop a JCM Project in the next fiscal year

#### JCM Feasibility Study (FS)

To survey feasibility of potential JCM projects

#### Large Scale JCM Feasibility Study

To survey feasibility of potential large scale JCM projects including city level cooperation



### Reports

Available at GEC (Global Environment Centre Foundation ) website <URL: <http://gec.jp> >

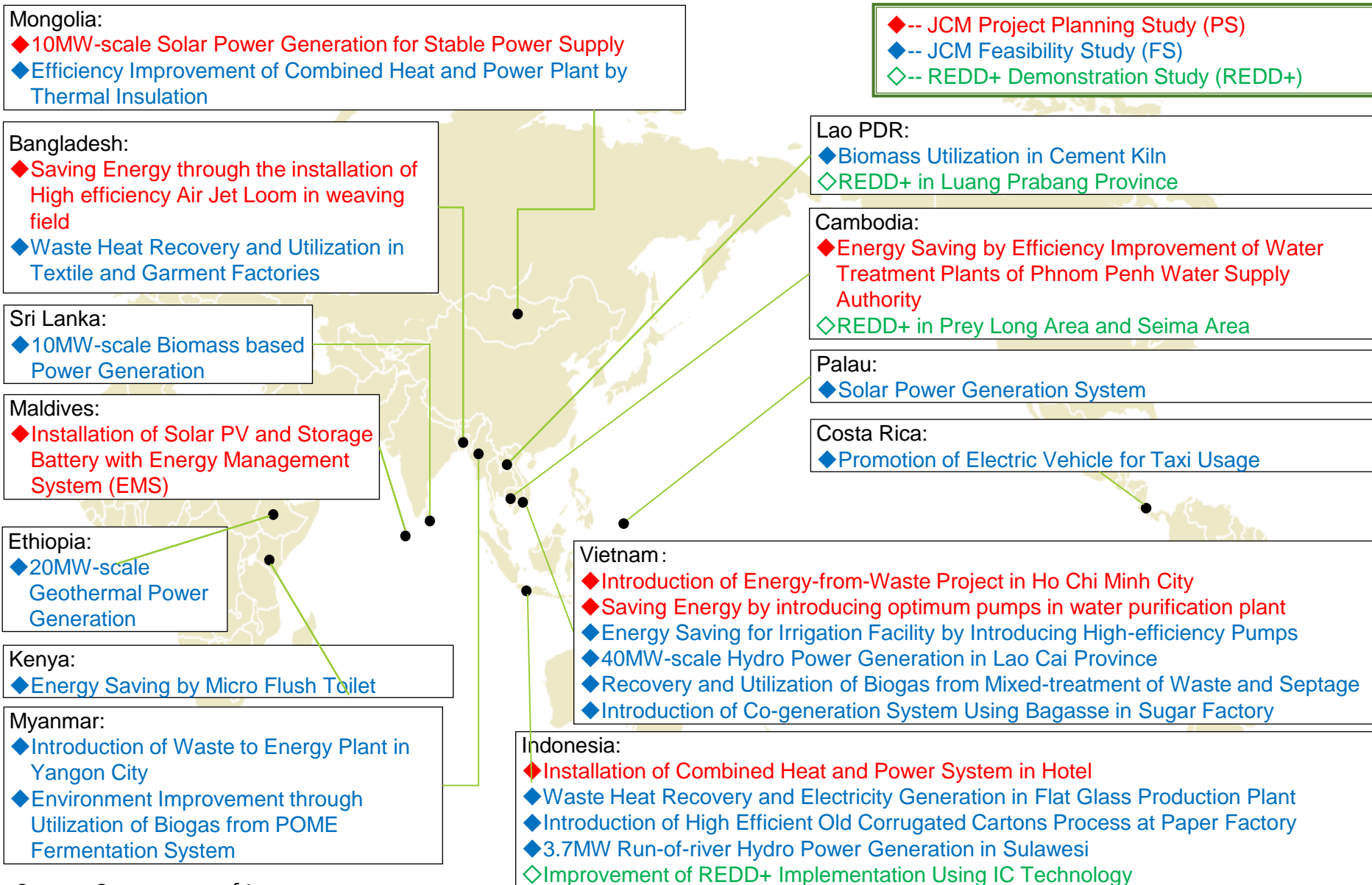
## Outreach

**New Mechanisms Information Platform** website provides the latest information on the JCM <URL: <http://www.mmechanisms.org/e/index.html>>



Source: Government of Japan

# JCM Planning/Feasibility/REDD+ Studies in 2014 by MOE

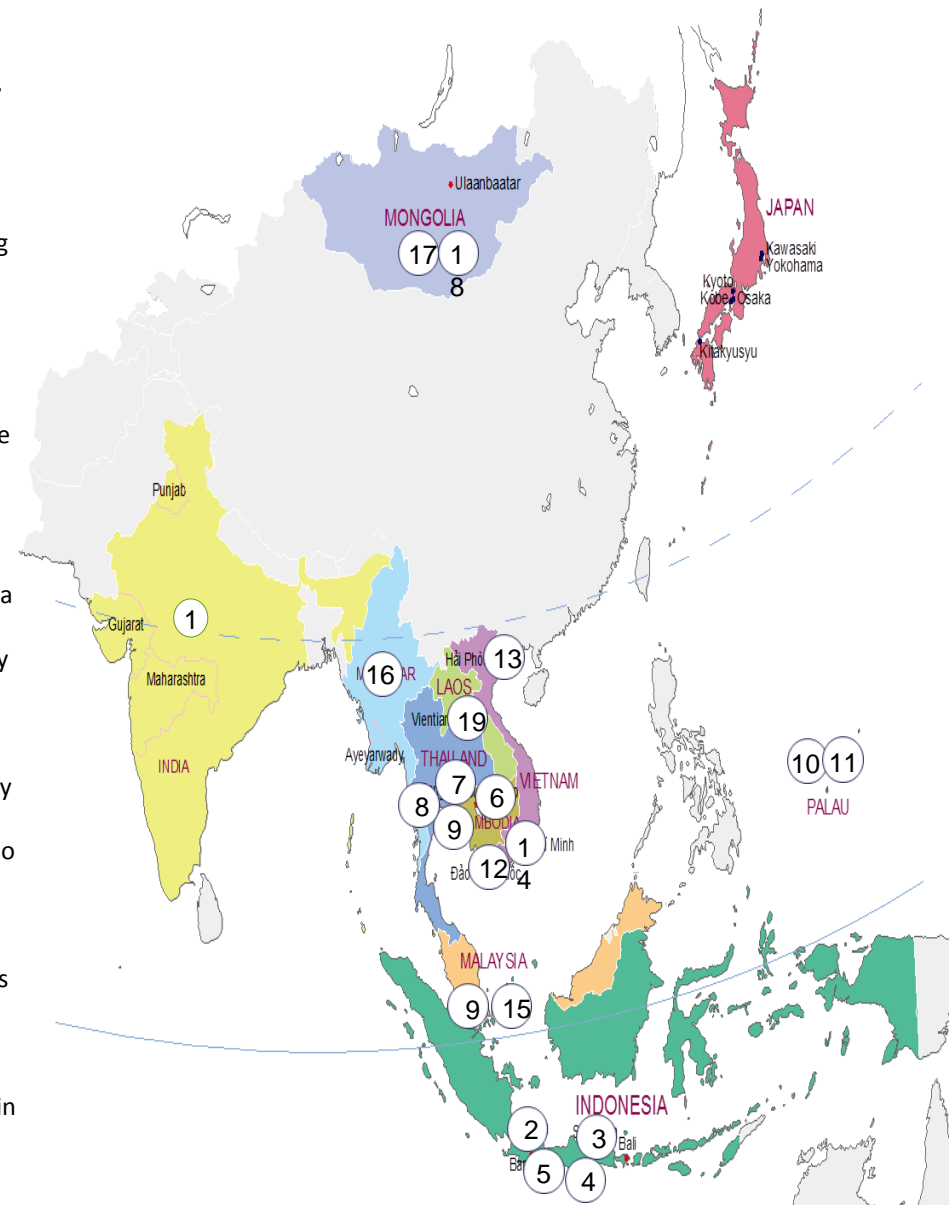


Source: Government of Japan

# Large Scale JCM Feasibility Study in 2014 by MOE

## Selected Studies

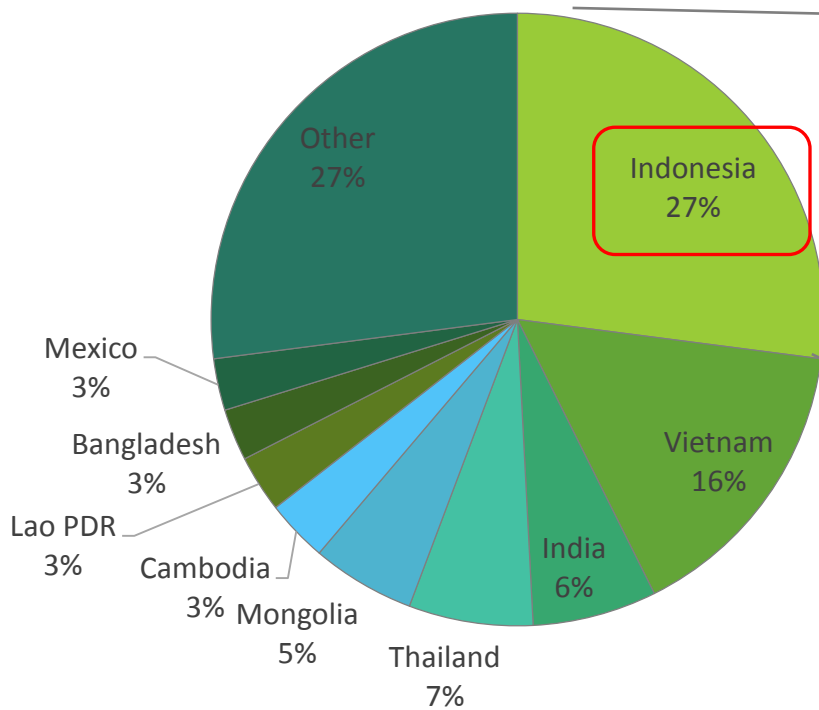
1. The feasibility study to promote Low Carbon Technology application in India(Gujarat , Maharashtra ,Punjab )
2. Feasibility study on financing scheme development project for promoting energy efficiency equipment installation in Indonesia(Jakarta, Bali etc.)
3. Low Carbon City Planning Project in Surabaya, Indonesia(Surabaya City)
4. Feasibility Study on Eco-Lease Scheme for Low Carbon Vehicle towards Joint Crediting Mechanism Projects Expansion (Indonesia National Level)
5. Collaboration on Project for Developing a Low Carbon Society under collaboration between Bandung city and Kawasaki cityin Bandung, Indonesia(Bandung)
6. Study for Developing Environmentally and Culturally Sustainable Cities through the Joint Crediting Mechanism in Siem Reap(Angkor Park and Siem Reap city)
7. Study on the Accelerating Implementation of Bangkok Master Plan on Climate Change through the JCM(Bangkok)
8. Introduction of a recycling system for cars and parts in Thailand(Bangkok)
9. Strategic Promotion of Recovery and Destruction of Fluorocarbons (Bangkok/Johor Bahru )
10. Demonstration Project on Installing an Evacuation Shelter with Renewable Energy as a "Low-Carbon/Resilient Model for Small Island Countries"(Palau etc.)
11. Feasibility study on comprehensive resource circulation system for low carbon society in Republic of Palau(Palau)
12. The feasibility study toward eco-island in cooperation between Kien Giang Province and Kobe City(Kien Giang Province)
13. Hai Phong Green Growth Action Plan Development in Association with Kitakyushu City (Hai Phong City)
14. Ho Chi Minh City – Osaka City Cooperation Project for Developing Low Carbon City (Ho Chi Minh City)
15. Feasibility Study on a Large-Scale GHG Emissions-Reduction Project Development in the Iskandar Development Region, Malaysia(Iskandar Development Region)
16. Feasibility Study on Rice Husk Power Generation System for Low-carbon Communities in Ayeyarwady Region, Myanmar(Ayeyarwady)
17. Study for the development of JCM projects for comprehensive improvements in the power generation, transmission and distribution systems in Ulaanbaatar City and on the possibility of nationwide horizontal application of the same improvement model in Mongolia(Ulaanbaatar)
18. Feasibility study on a programme-type finance scheme for the JCM in Mongolia(Ulaanbaatar)
19. JCM Feasibility Studies of GHG Mitigation Projects Contributing to Low Carbon Old Capital based on City-to-City Cooperation between Vientiane and Kyoto("Vientiane)



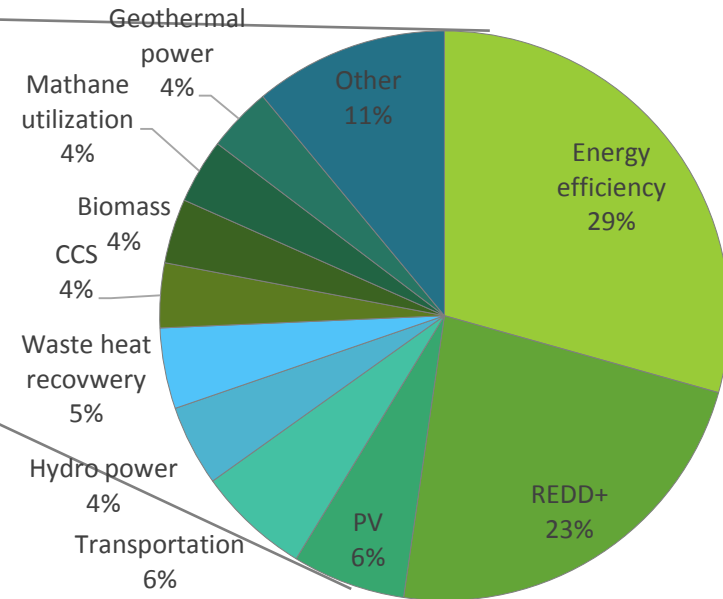
Source: Government of Japan

# Projects and studies supported by Japanese government

By countries



By project type  
Indonesia



Cases implemented form 2010-2014

Source: New market mechanism information platform website