

Joint Crediting Mechanism (JCM)

Indonesia – Japan

Cooperation for Low Carbon Growth

JCM Business Forum

Four Seasons Hotel Jakarta

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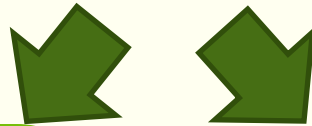
Coordinating Ministry for Economic Affairs

Policy Framework

Indonesia's commitment:

*Reducing GHG emission by 26% unilaterally,
and 41% with international support, by 2020*

(President SBY in G20 Summit , Pittsburgh, 2009 and COP 15 , Copenhagen, 2009)



National Program

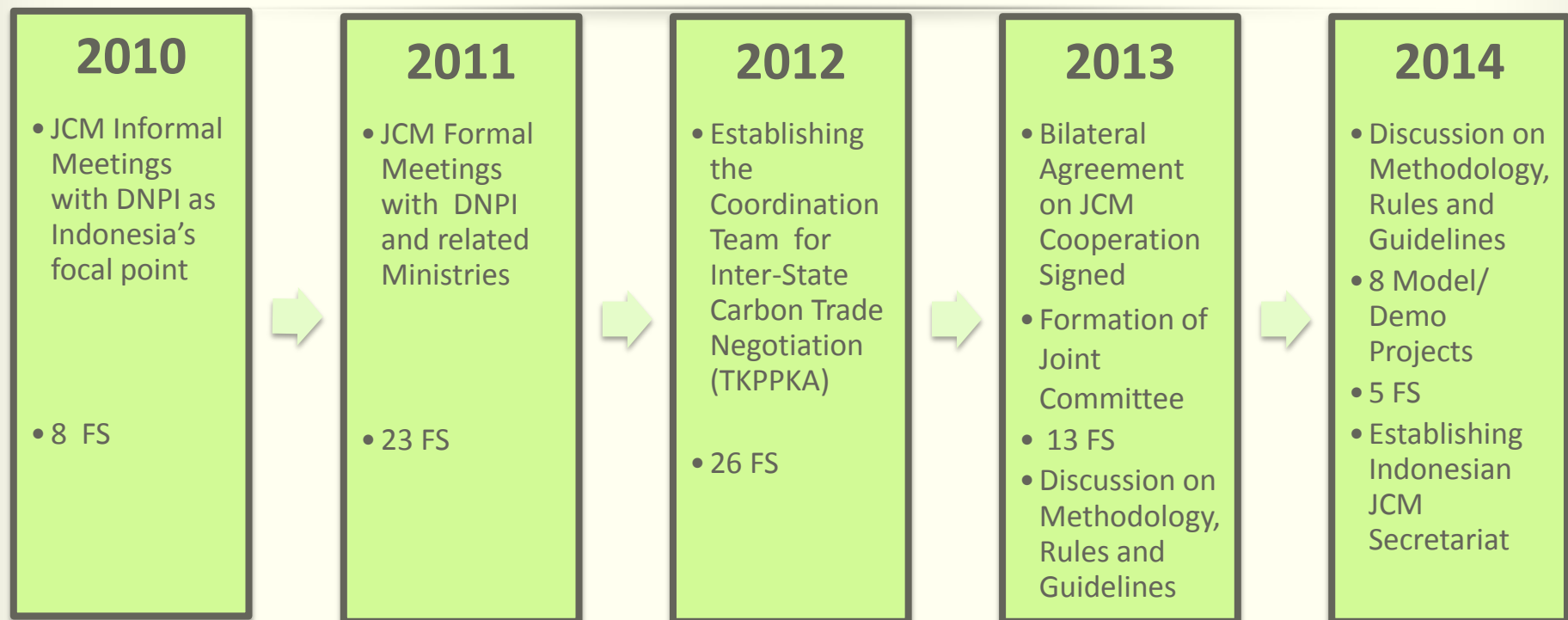
- National Action Plan on GHG Emission Reduction (RAN-GRK)
- GHG Inventory
- Skema Karbon Nusantara

International Cooperation

- Clean Development Mechanism (CDM)
- East Asia Low Carbon Growth Partnership
 - Indonesia Climate Change Trust Fund
- Partnership for Market Readiness World Bank
 - Bilateral Cooperation with US, Japan, Australia, England, and Annex I Countries



Development of JCM

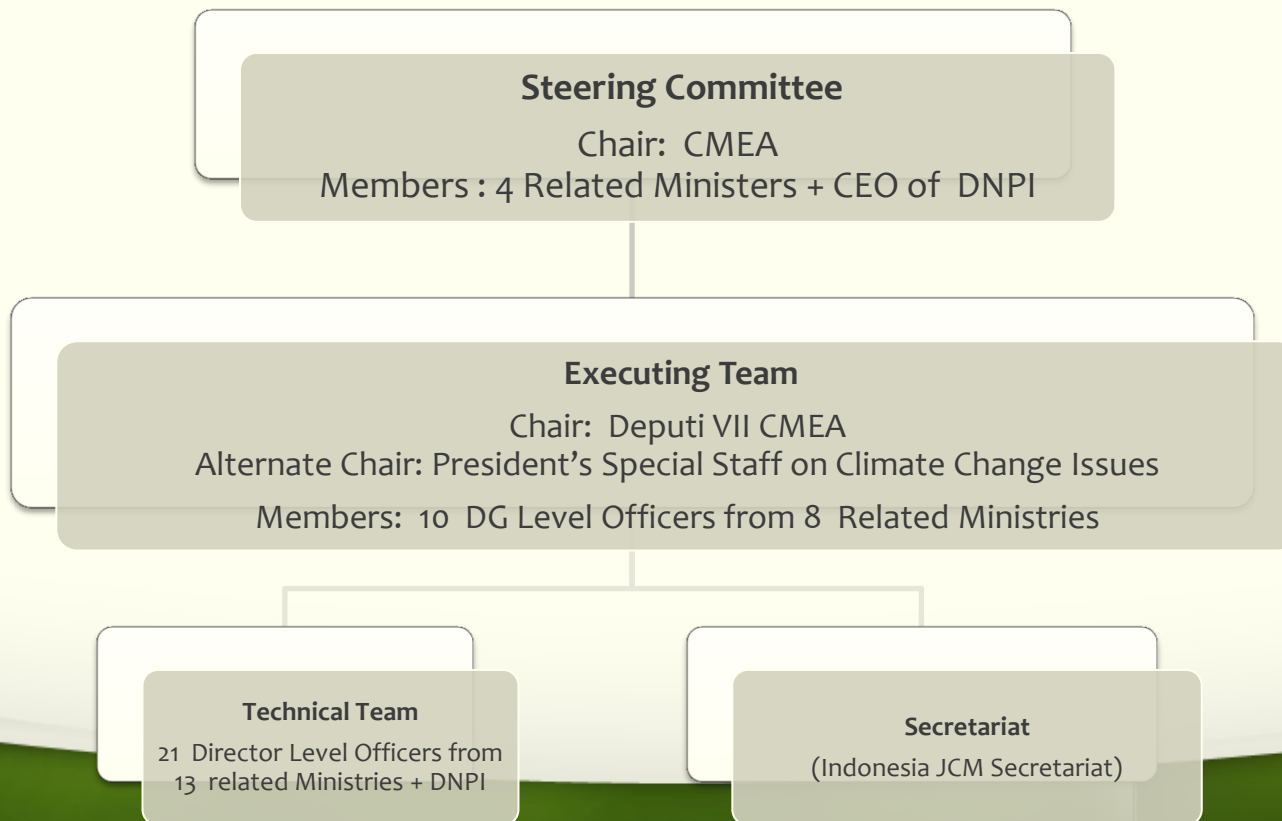


During 2010-2014, around 70 feasibility studies have been conducted in Indonesia. They cover the fields of renewable energy, energy efficiency, forestry (REDD+), transportation, carbon capture and storage (CCS), and agriculture



TKPPKA

- Coordination Team for Inter-State Carbon Trade Negotiation (TKPPKA) is the official representative of Indonesia in JCM negotiations
- TKPPKA is also the Indonesia's focal point in managing and negotiating the inter-state carbon trade



Important Points in JCM Bilateral Cooperation

Bilateral Cooperation on Joint Crediting Mechanism for Low Carbon Partnership Between Indonesia and Japan

- JCM will be implemented in accordance with laws and regulations in each countries.
- JCM will be managed and operated by the Indonesia-Japan Joint Committee.
- The Government of Indonesia and Japan will ensure that there will be no double counting in GHG emission reduction.
- At the beginning of JCM operations, credits from GHG reduction are non-tradable. In the future, the Government of Indonesia and Japan will do any efforts to make the JCM become a tradable carbon credited mechanism.
- The Government of Indonesia and Japan will work together in order to obtain the recognition of JCM in the UNFCCC Scheme

This partnership applies since 26 August 2013 up to the establishment of a new international framework under the UNFCCC.



Joint Committee Indonesia - Japan

Indonesia

1. Assistant Deputy Minister for Multilateral Economic Cooperation and Financing, CMEA
2. Director for Economic Development and Environment, MoFA
3. Assistant Deputy Minister for Mitigation and Atmospheric Function Preservation, MoE
4. Head of Research and Development Center for Climate Change and Policy, MoFor
5. Director of Energy Conservation, MoEMR
6. Head of Policy Center for Climate Change Financing and Multilateral, MoF
7. Head of Center for Green Industry and Environment Studies, Mol
8. Assistant Deputy Minister for Forestry, CMEA
9. Coordinator of Carbon Trade Mechanism Division, DNPI
10. Head of Indonesian JCM Secretariat

Japan

1. Minister for Economic Affairs, EoJ
2. Advisor to the Ambassador, EoJ
3. Director of Climate Change Division, MoFA
4. Director of Global Environment Partnership and Technologies, METI
5. Director of International Negotiation Office for Market Mechanism, MoE
6. Director for International Forestry Cooperation Office, Forestry Agency
7. Secretary for Forestry, Fishery and Natural Conservation, EoJ.



8 Model/Demo Projects JCM 2014

JCM Demo Projects (METI/NEDO)

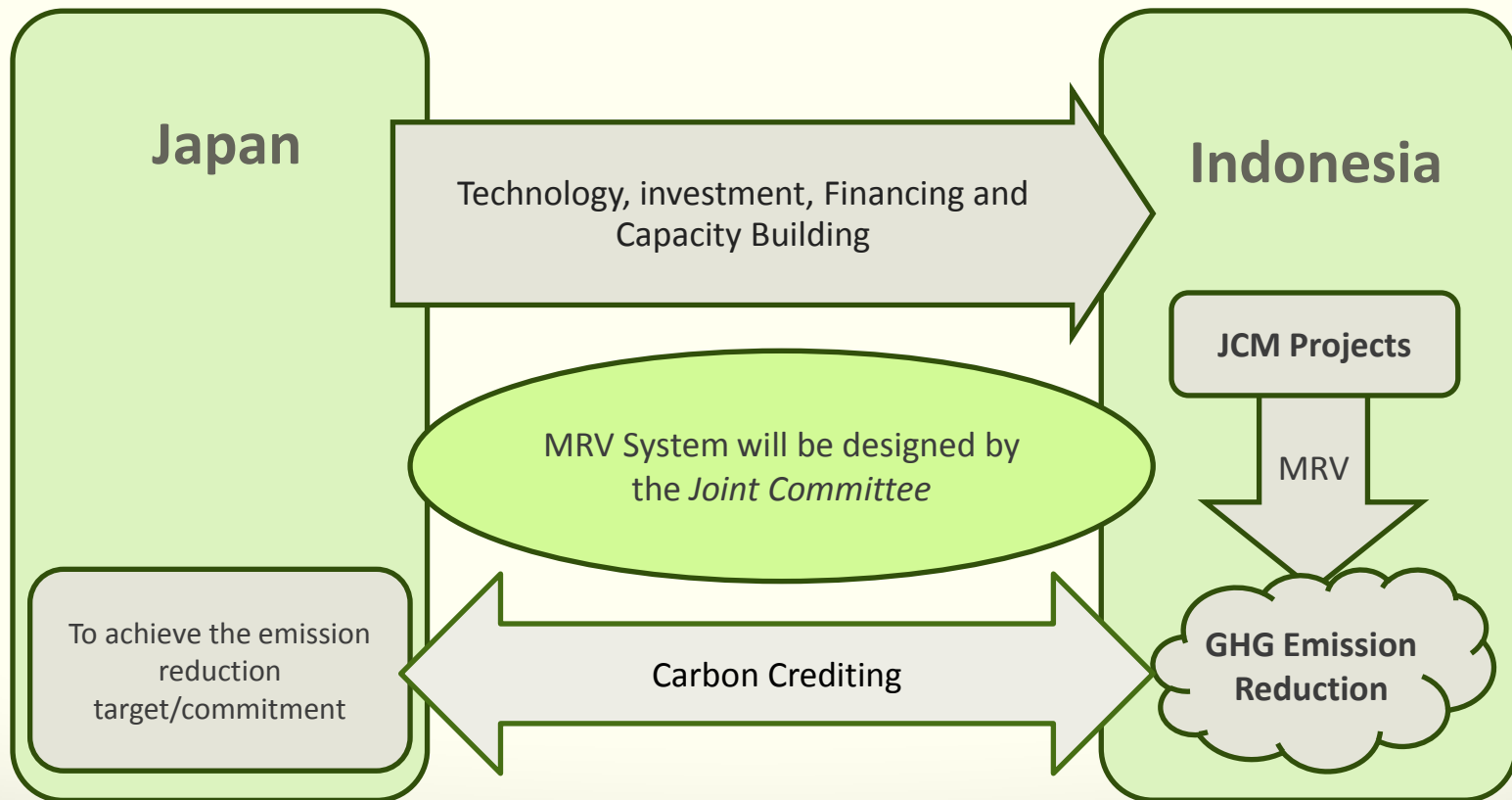
1. Energy Saving by Optimum Operation at Oil Refinery (**Yokogawa and Pertamina**)
2. Utility Facility Operation Optimization Technology (**Azbil and Pertamina**)
3. Demonstration Project on Remote Auto-Monitoring System for Thin-Film Solar Power Plant in Indonesia (**Sharp Corporation and PLN**)

JCM Model Projects (MOE/GEC)

1. Energy saving by double bundle-type heat pump at beverage plant (**Toyota Tsusho Corporation and PT. Hokkan Indonesia**)
2. Energy saving for air-conditioning at textile factory (**Ebara Refrigeration Equipment & Systems and PT. Argo Pantes Tbk.**)
3. Energy Savings at Convenience Store (**Lawson and PT. Midi Utama Indonesia Tbk**)
4. Energy Efficient Refrigerants to Cold Chain Industry (**Mayekawa Manufacturing Company and PT. Adib Global Food Supplies**)
5. Energy Saving for Air-Conditioning and Process Cooling at Textile Factory (**Ebara Refrigeration Equipment&Systems Co., Ltd., Nippon Koei Co., Ltd., and PT. Primatexco**)



JCM Cooperation Scheme



Why JCM?

Technology Transfer

System, Carbon Capture and Storage, MRV, etc.

Investments

Total budget 2013-2014:
¥ 4,7 billion (Rp 503 billion)

Capacity Building

Based on FS projects as well as private and public sector projects

Production Efficiency

Reduction of production cost and energy consumption, monitoring system, reduction of processing time

Government Support

Investor and licensing facilitation, submission of project proposals, Japan's investment commitment

Environment

GHG Emission Reduction
Achieve the Industrial Environmental Requirements

Emission Reduction

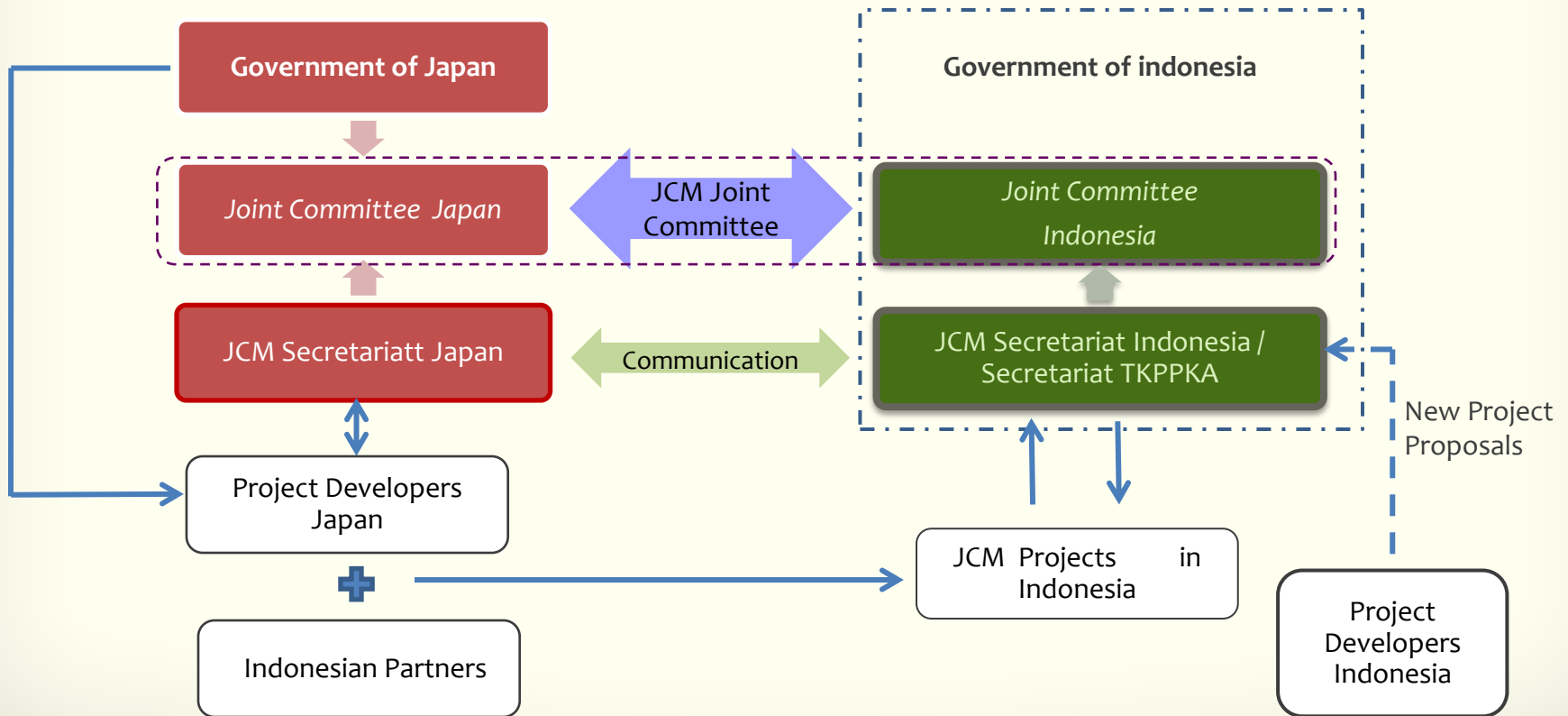
Support the achievement of the government target

People's Welfare

Infrastructure, electricity, and water provision



JCM Coordination Scheme



Do You Want to Participate?

- What are the JCM Work Sectors ?
 - Energy
 - Waste Management
 - Transportation
 - Manufacturing Industry
 - Etc.
- How Can You Participate?
 - Submitting Project Proposals (Project Idea Note)
 - As the JCM 3rd Party Entities (Validators & Verifiers)



Agenda 1st Semester of 2014

- Training for JCM validator & verifier candidates
- Implementation of 8 model/demo projects
- Workshops and Meetings:
 - *Workshop on Climate Change*
 - *Workshop on Designing and Implementation of JCM Projects*
 - *Reports on the Result of Feasibility Studies 2013/2014*
 - *Workshop on JCM Methodology*
- Business Forum
- Other activities





**Coordinating Ministry for Economic Affairs
Republic of Indonesia**

Terima kasih