

# JCM Practical Experience

21 May 2015

Jakarta, Indonesia

Ayato Kurokawa

Climate Finance Specialist (Consultant)

Regional and Sustainable Development Department

**Asian Development Bank**

# What is JCM for Project Developers?

Opportunity to introduce **advanced low-carbon technology** in **favorable financial terms**

- “Advanced”: proven but not prevailing technology in the host country
- “Low carbon technology”: technology, product and system that contribute to reduction of greenhouse gases

<b>Energy efficiency</b>	<ul style="list-style-type: none"><li>• Energy efficient chiller / air conditioner</li><li>• LED lighting</li><li>• Water saving equipment (irrigation pumps, toilets, showers, etc)</li><li>• Operation optimization in manufacturing process</li><li>• Energy management system (EMS) for factories and buildings</li><li>• Eco-city development</li><li>• Eco-drive by digital tachograph system</li></ul>
<b>Renewable energy</b>	<ul style="list-style-type: none"><li>• Waste to energy generation</li><li>• Solar diesel hybrid system</li><li>• Biomass generation</li></ul>

- Financial assistance available from different sources
  - ✓ Japanese government (MOEJ, METI, NEDO, etc)
  - ✓ Asian Development Bank

# Do's and Don'ts

---

- **Do** study and know the JCM process & rules
  - ✓ Besides project development, a JCM project requires methodology for emission reduction calculation and MRV of emission reductions
- **Do** make sure to team up with committed technology provider
- **Do** have a sound financial plan
  - ✓ JCM subsidy / financial assistance partially covers project cost
  - ✓ Subsidy is often disbursed as a reimbursement
- **Don't** expect revenue from JCM credit sales
  - ✓ JCM credit is “non-tradable”, at least for the time being
- **Do** stay flexible and committed
  - ✓ Project schedule depends on government and lender procedures
  - ✓ Coordination between government, lenders and participating companies is essential
- **Do** hire an experienced consultant

# Thank you!

**Ayato Kurokawa**

Carbon Finance Specialist (Consultant)

Regional and Sustainable Development Department

**Asian Development Bank**

Tel +63 2 632 4444 ext. 70860

[akurokawa.consultant@adb.org](mailto:akurokawa.consultant@adb.org)