

Project development tips

For the “JCM Model Project” Financing Programme
by the Ministry of the Environment, Japan

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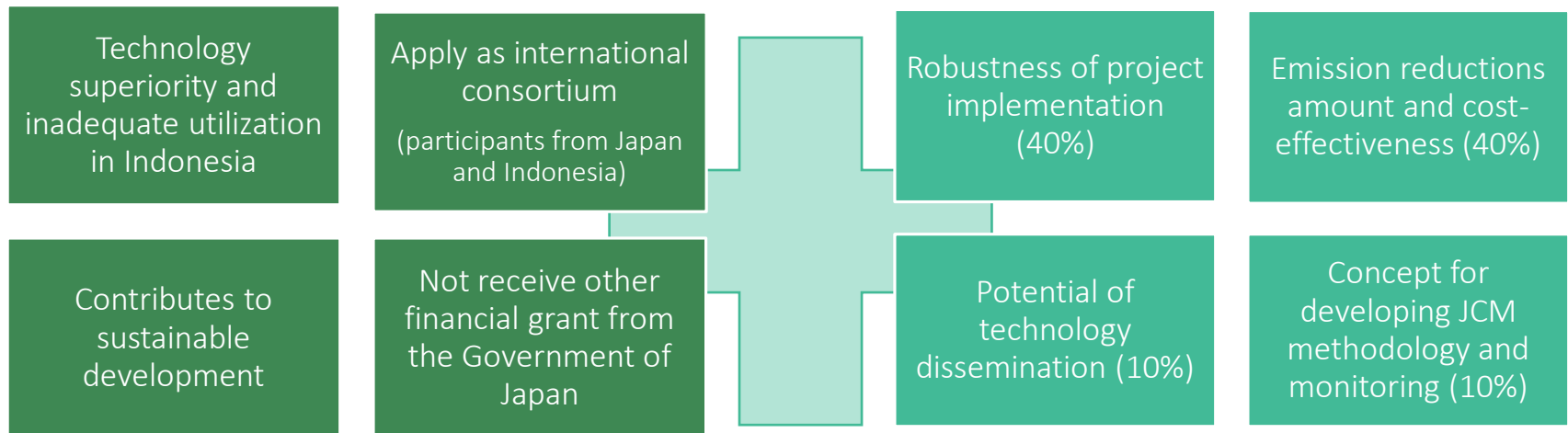
Seminar on the JCM in Indonesia, FEBRUARY 2019



General selection criteria for JCM Model Project Financing Programme (excerpt)

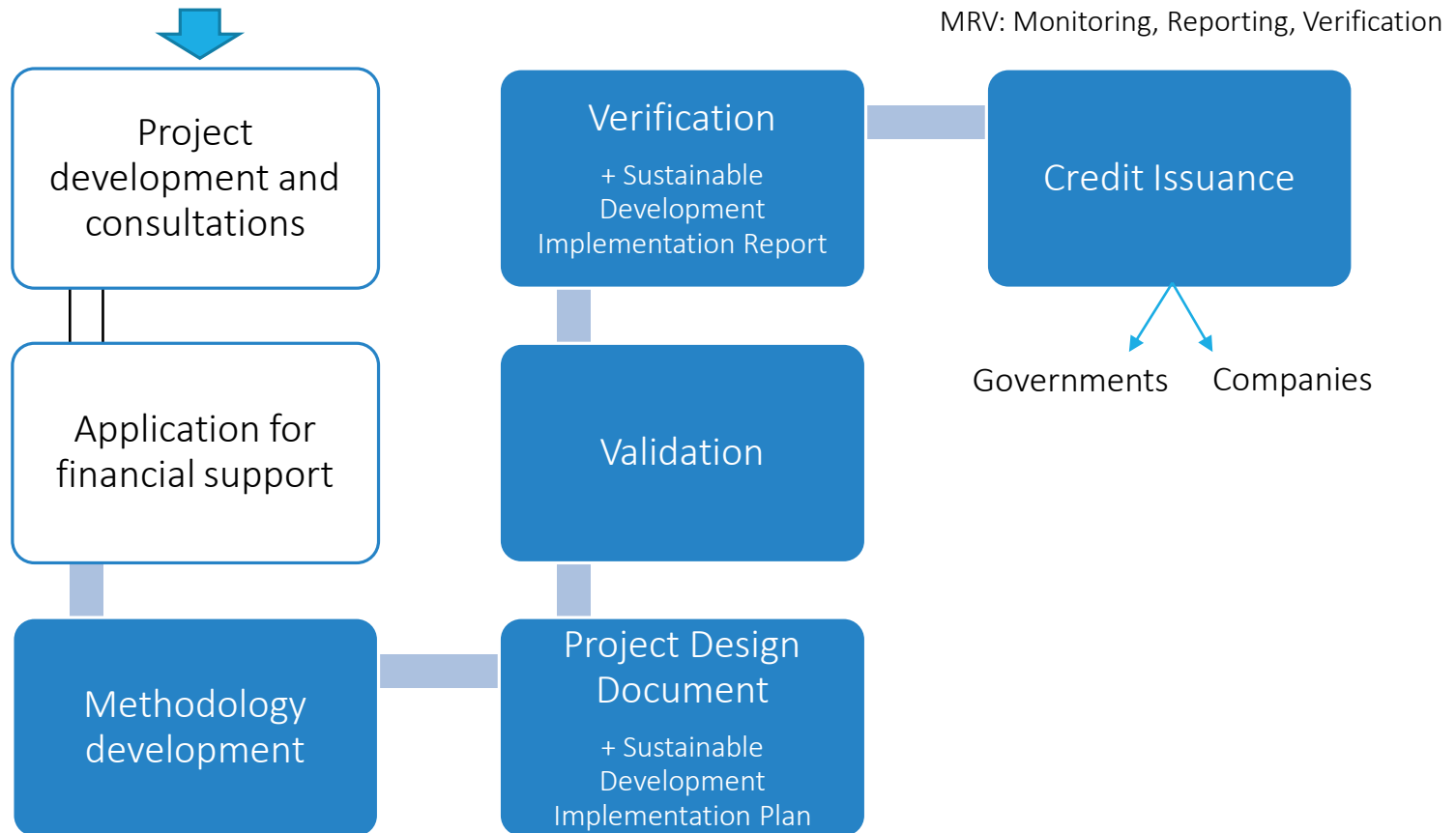
JCM Model Project

- Grants **up to 50%** initial investment costs
- **Projects that reduce energy-related CO2 emissions**
- Budget for financing is approx. USD 99 million in total for 2019-2021
- Project can collaborate with JICA or other government-affiliated financial institute



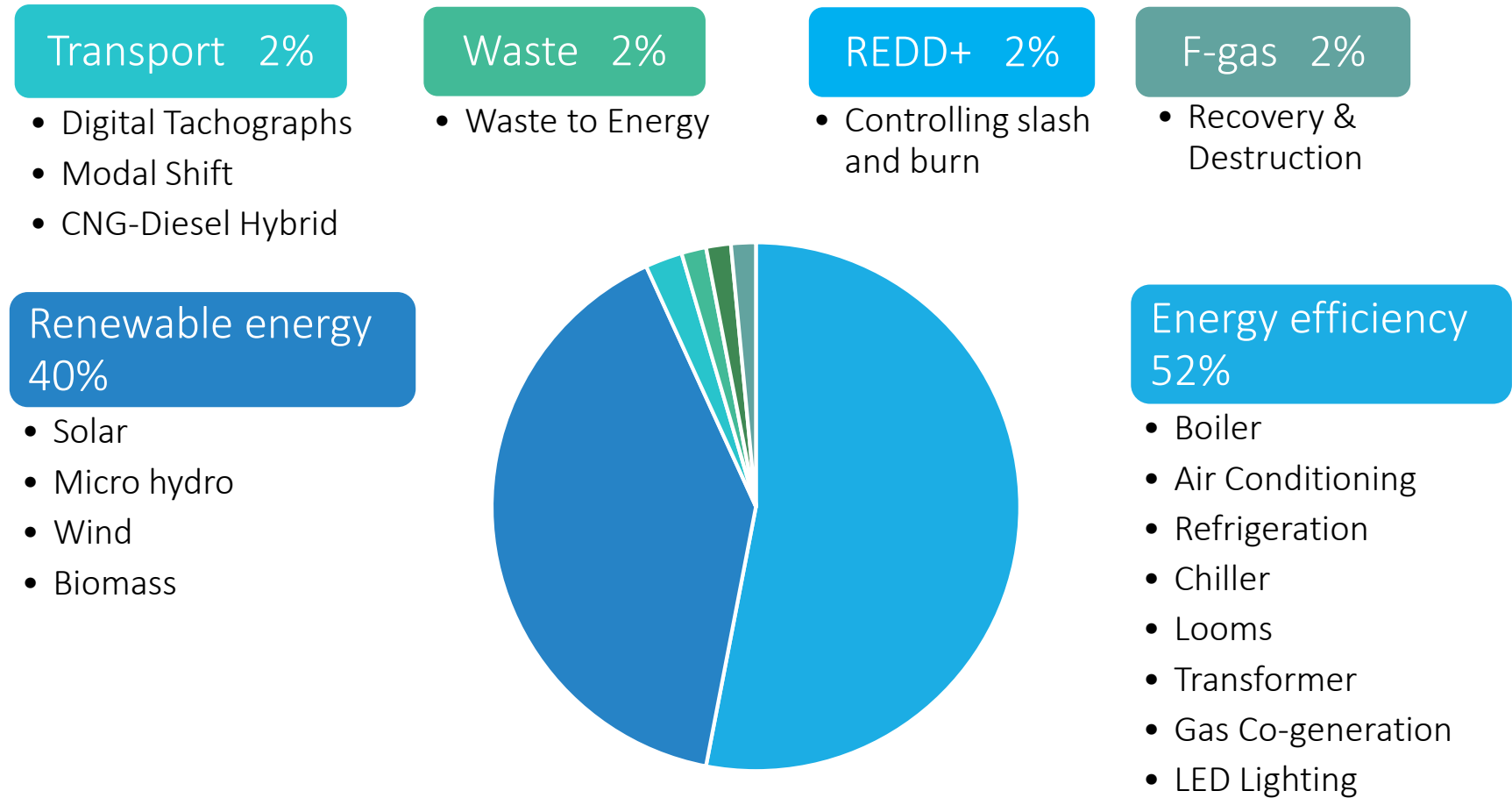
More information: http://gec.jp/jcm/jp/wp-content/uploads/2018/08/tentative2018_Guidelines_for_Submitting_Proposals_2nd_Call.pdf

Selected projects will also receive technical support throughout project cycle



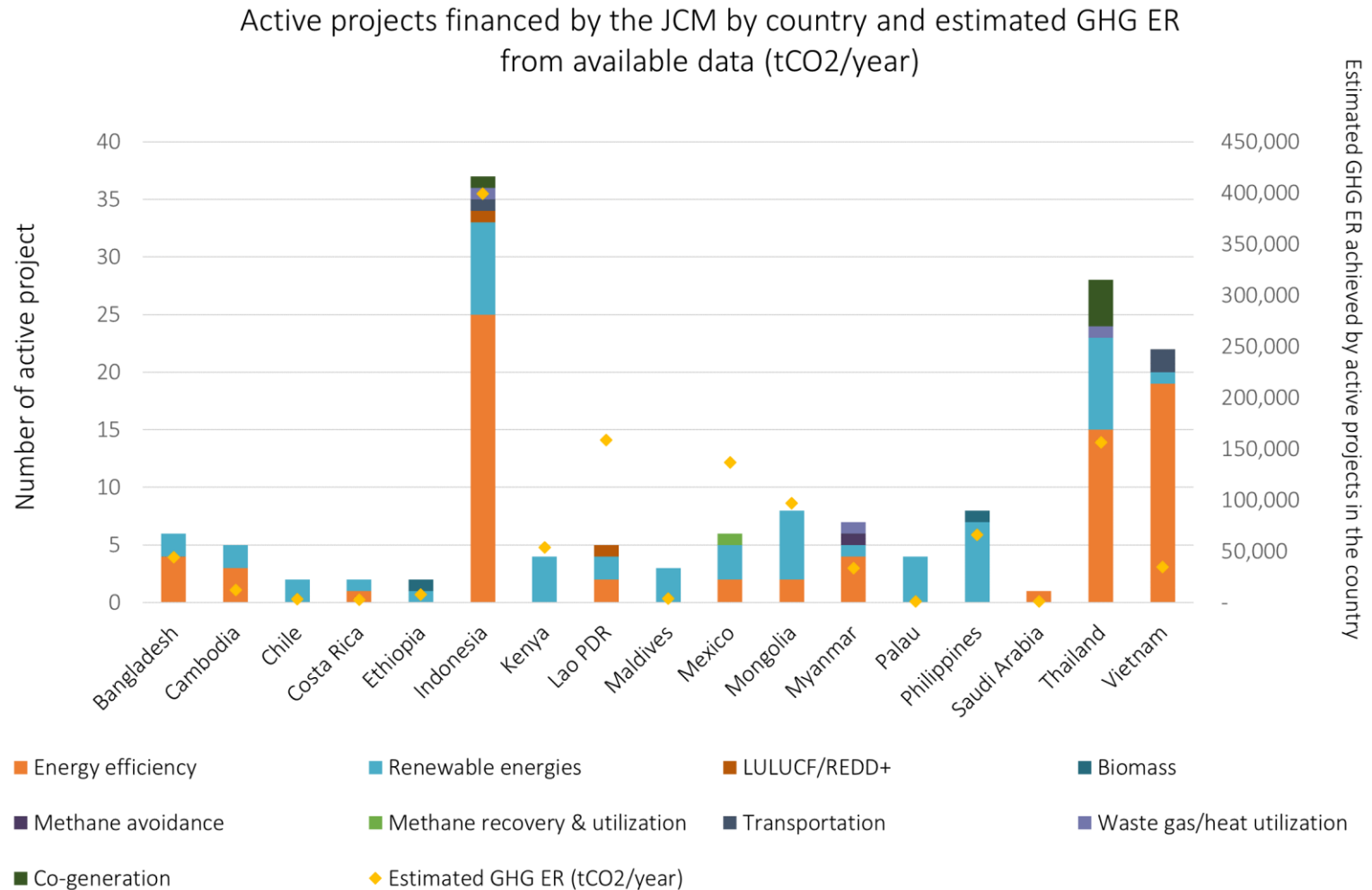
IGES supports participants of selected projects to develop methodologies, project design document, monitoring reports, issuance of credits

Technologies applied by JCM Model Projects



Source: MOEJ, as of 3 December 2018

Indonesia remains as a top choice for investment



While ensuring transparency and community engagement



Local stakeholders consultation and use of mass media



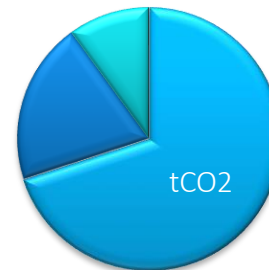
Projects are open for public comments through JCM website



Joint Committee decisions are published on JCM websites

Balance Certificate Account A	
List by Credit	Amount of Credits
Available credit	10 t-CO ₂
Issued credit	10 t-CO ₂
Acquired credit	0 t-CO ₂
Retired credit	0 t-CO ₂
Cancelled credit	0 t-CO ₂

JCM Registry system is adopted by Japan and Indonesia



Issued credits are shown on JCM website

And contributing to sustainable development

- Sustainable Development Implementation Plan and Report sets out a plan, and achievement of the plan, of the JCM project to contribute to sustainable development.
- JCM projects also contribute to SDGs.

Example: Contribution from solar power project to sustainable development measured by SDG targets



- Private sector will mobilize direct financial investments to Indonesia for the installation, dissemination, and operation of an environmentally sound technology promoted by the project.
- Private investments will benefit from public funding support under the JCM public-private partnership, which can contribute to SDG 17 particularly its Target 17.3, 17.7, and 17.17.



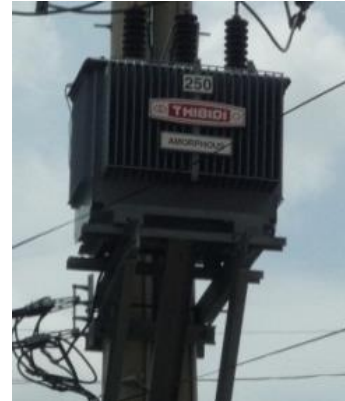
New types of project in Indonesia can get more support

Condition	Eligible JCM financial support (% of investment cost)	Example projects
New project No project using similar technology are already selected in Indonesia	Up to 50%	Air compressor, wind power, waste-to-energy, amorphous transformers, etc. (open for proposal)
1-3 projects using similar technology are already selected in Indonesia	Up to 40%	Boiler, biomass power plant, LED street lighting, hydropower, solar power plant with battery, etc.
More than 3 projects using similar technology are already selected in Indonesia	Up to 30%	Solar power plant, chiller.

New types of project in Indonesia can get more support



Wind Farm
(e.g. Kyuden International Corporation)



Amorphous transformers
(e.g. Hitachi Materials, Yuko-Keiso)



Solar power and storage battery system for commercial facility
(e.g. Itochu, AEON Mall, etc.)



LED street lighting system with wireless network control
(e.g. MinebeaMitsumi)

Documents to be prepared for proposal

- ✓ Project Idea Note
- ✓ Bidding Application Form
- ✓ Declaration by Representative Participant
- ✓ Company information (e.g. brochure) and certificate of incorporation
- ✓ Project Implementation Plan
- ✓ Budget
- ✓ Audited financial statements
- ✓ Draft international consortium agreement
- ✓ Agreement on the Allocation of JCM Credits
- ✓ Other supporting documents



Tips

- Aim for new type of technologies to get more benefits
- Contact Japanese companies based in Indonesia
- Focus on cost-effectiveness (cost per tCO₂ reduced)
- Suggested size of a JCM model project is USD 500,000 – 20 million in financial support
- Consult with Indonesia JCM Secretariat on on domestic procedures



Invest in sustainable future

Call for Proposal on the GEC website: <http://gec.jp/jcm/kobo/>



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